

BEFORE THE ILLINOIS  
ENVIRONMENTAL PROTECTION AGENCY

PUBLIC HEARING AND COMMENT PERIOD  
CONCERNING PROPOSED ISSUANCE OF ILLINOIS EPA PERMITS TO THE  
WOOD RIVER REFINERY IN ROXANA

Proceedings held on March 9th, 2004, beginning at 7:00  
p.m., at Hartford Elementary School, 110 West 2nd Street,  
Hartford, Illinois.

Reported by: Lynn E. Bartimus, CSR, RPR  
CSR License No.: 084-004150

KEEFE REPORTING COMPANY  
11 North 44th Street  
Belleville, IL 62226  
(618) 277-0190

Illinois Environmental Protection Agency

Bureau of Water:

Lisa E. Moreno, Esq.  
Assistant Counsel

Fred Rosenblum  
Water Permit Section

Blaine Kinsley  
Water Permit Section, Industrial Unit

Bureau of Air:

Jason M. Schnepf  
Environmental Protection Engineer

Christopher Romaine  
Air Permit Section, Construction Unit

Bureau of Land:

Chris Kanowski  
Regional Manager

Also Present:

Gina P. Nicholson, ConocoPhillips Wood River  
Refinery Health, Safety and Environmental Manager

I N D E X

OPENING STATEMENT BY MS. MORENO.....	4
AIR EXPLANATION BY MR. SCHNEPP:.....	11
WATER EXPLANATION BY MR. ROSENBLUM:.....	15
STATEMENT BY MS. NICHOLSON:.....	30
COMMENTS BY PUBLIC OFFICIALS:	
Bill Moore.....	36
Fred Hubbard.....	37
Marty Reynolds.....	40
Larry Busch.....	42
Tina Williams.....	45
Deanna Barnes.....	87
COMMENTS BY PUBLIC:	
Darrell Williams.....	47
Doris Dhue.....	49
Kathy Andria.....	49
Marie Herndon.....	66
Kathleen Logan Smith.....	70
Jim Pennekamp.....	83
Mark Loftus.....	85
Ben Welling.....	86
John Passiglia.....	88
Mike Toner.....	90
Jim Herndon.....	91
Wayne Blanchard.....	93
Dan Magruder.....	95
Terry Buhs.....	98
Jim Bensman.....	101
Monica Bristow.....	105
Pam Heepke.....	106
Jack Tueth.....	107
Kevin Stuby.....	109
Glenn Breuklander.....	111
Floyd Fessler, Jr.....	112
John Forbes.....	114
Kathy Andria, cont'd.....	114

E X H I B I T S

Public Comment 1.....	116
Original exhibit attached to original transcript.	

(March 9th, 2004; 7:00 p.m.)

MS. MORENO: Ladies and gentlemen, I think I would like for us to go on the record and formally open this hearing.

Good evening. I'm glad to see so many people here, who obviously are interested in what's going on. My name is Lisa Moreno. I'm with the Illinois EPA. I'm a water attorney. I have nothing to do with this, but I'm here to kind of run the hearing and make sure that things run well, as I'm sure they will.

I would like to introduce the people who are here from the agency. Sitting on my left is Jason Schnepf, who is the air permit engineer. And he will be discussing the -- the air permit portion. And the person who should be sitting next to him and will be in a few minutes is Chris Romaine, who is the manager of the construction permit unit, in air, and he is probably in transit. On my right is Fred Rosenblum, the water permit engineer. He will be dealing with the NPDES permit. And sitting next to him is Blaine Kinsley, who is the manager of the industrial unit water permits. The industrial unit are the guys who do the industries. And Chris Kanowski, who is the land regional manager from Collinsville. And I have a feeling that many of you know him well.

Also, I would like to acknowledge Jim Morgan, from the attorney general's office. I'm sure many of you know him. Mr. Morgan is kind enough to be here tonight and has agreed to answer questions to the extent that he can, about

the -- what I understand is formally called the Hartford Free Hydrocarbon Project, but I guess is known by everybody as the gasoline project.

Now, the record in this proceeding, I'd like to stress, the purpose of this hearing is the air permit, that has to do with what is called the Premcor Integration Project. This is hooking up the portions of the Premcor facility that Conoco is going to be using, to Conoco, basically. So that's -- that's the one part of it.

The other part is the NPDES permit, which is the discharge permit. Now, this permit is the discharge permit for the whole plant. As Fred will tell you, it covers both the process outfall and the storm water outfalls. It is far greater than the -- just the integration projects. It covers a lot more things. And I know that there are some people here tonight who have questions about the NPDES permit that relate to outfalls that really have nothing -- nothing to do with Premcor. But that's fair game, because the whole permit is opened up.

I'd like to say one other thing. There are a lot of issues which we call land issues, because the Bureau of Land is the agency that is responsible. And that is the ongoing litigation and some other issues. Now, obviously, this is something that we can't ignore. It's happening; it's going on. I would ask you to allow -- if -- if what you want to talk about is -- listen please carefully to the two -- to the two people and the permits. If what you want to talk about relates only to the land issues, I'd appreciate it if we -- you would sort of hold your fire until the people who are here about water and air, the specific permit, can go

first.

Now, there are people from Conoco who are here, as you well know. There are some executive managers who have kindly volunteered to answer questions. Now, as I understand it, ConocoPhillips is the innocent party here.

ConocoPhillips has nothing to do with the litigation, okay?

And I guess they only took the plant over in August 2002. So they haven't been involved. And there are -- as I understand, from Jim Morgan and the people that I have talked to at my agency who are in the enforcement division, Conoco is completely out of this. So obviously, certainly, there -- I mean, they are here to answer questions about what they are going to be doing. But I would appreciate it if we not try to take them to task or ask them questions about what has gone on before and what Premcor has apparently inherited from, you know, many, many years.

I can tell you -- give you an update on the litigation, if you are interested. And I'm sure you are. As you know, there is an administrative order for consent with Premcor -- USEPA and Premcor and some of the other companies. I think Atlantic Richfield; I think Shell may be involved. Again, PhillipsConoco is not involved. That administrative order is in the process of being signed. And USEPA is planning to hold a public meeting, down here, sometime towards the end of the month. I wasn't able to get a firm date for that. But they will be -- USEPA will be sending you advance notice of this meeting. And what we will do is take the cards, from tonight, and give the list of people who are here tonight to USEPA, so that they can let everybody know what is going on, as far as litigation is

concerned. And if you have specific questions, Jim can answer them. But I'd appreciate it if you would hold them sort of until after we finished with -- with the two permits.

Now, I also understand that there may be some further action in the land division, which -- and again, this pretty much involves Premcor -- which may involve eventually some RCRA permits. If this is the case, there will be public hearings similar to this hearing down here, and you will be notified. So I just wanted to make all this clear, because this is something that all of you are deeply concerned about. And I appreciate it. On the other hand, it's kind of awkward, because we usually only do one permit at a time. Here I'm doing two permits. And we also have these other very important issues.

Finally, as the record here stays open for 30 days to receive written comments, that is both for the air permit and the water permit. I know that the public notice that was sent out with the NPDES permit had a closing date, I think, of sort of the end of February. That is not operative. We are going to treat these two together. So any written comments that we receive that are postmarked by midnight, April 8th, 2004, will be considered. And what comes out of this process is what we call the responsiveness summary, which is basically decisions on the permits and also a document which lists the questions and the issues, basically, that are raised at the public hearing, and our responses to them.

Now, as far again as the land issue is concerned, to the extent that there are questions and comments tonight

that deal with fumes and whatever, but are relevant and can be answered in context with the permits, we will address those in the responsiveness summary. So to the extent that they are just issues, questions that you have about the fumes and the other problems that don't directly relate, those will not be addressed in the responsiveness summary because that's not the purpose of this hearing. However, I can assure you that the entire transcript, including any other issues you might have, will be passed on to the director and other appropriate people. So obviously, we are -- I don't want to be encouraging you to just get up and talk about land. In other words, I want to make sure that you understand that we are not trying to cut you off either. I mean, we realize that this is a major issue.

So here is how I would like to proceed. I would like to have Mr. Schnepf present the air permit. Mr. Rosenblum will present the water permit. And then the company, Gina Nicholson, who is the Manager of Health, Safety and Environment -- I'm sure many of you know her -- would like to make some statements. And then it is our custom to recognize public officials. I have a number of cards here of public officials who have asked to speak. So we will go in that order.

And then we will start with the public comment. And I'm going to start the public comments with Mr. Darrell Williams and Ms. Doris Dhue. And the reason I'm going to do that is because this is an NPDES issue that they raised over five years ago, when we first looked like we were going to go out to public notice with this permit. They wrote us letters and asked us for a public hearing. And I think that they



have waited long enough for their public hearing, that it's only fair that they go first.

So Jason, please.

MR. SCHNEPP: Good evening, ladies and gentlemen.

My name is Jason Schnepf. I'm a permit engineer with the Bureau of Air. I'll be giving you a brief description of the air pollution control aspects of the proposed project.

On July 31st, 2003, the ConocoPhillips Wood River Refinery purchased several assets from the adjacent Premcor Hartford Refinery, which ceased operation and was put up for sale in October 2002. The proposed project would allow the Wood River Refinery to utilize certain equipment physically located at the former Premcor Hartford refinery. The selected Hartford equipment would be integrated into the existing Wood River refinery via new piping.

The process units that would be restarted at the Hartford facility are a crude unit, which separates incoming crude oil into different weights of material for further processing; the coker, which cracks very heavy material into a lighter stream, known as naphtha, for further processing; and the coker naphtha hydrotreater, which removes sulfur compounds from the naphtha stream produced by the coker. ConocoPhillips would also resume operation of two boilers, cooling towers, selected storage tanks/pressure vessels, and associated utilities and infrastructure.

The various emission units would operate in accordance with the respective operating permits and would continue to be subject to applicable state and federal rules governing emissions. The proposed construction permit would not authorize changes to these existing units to increase

their capacity. The permit would also not address other existing Premcor units that the permittee has purchased but does not currently have plans to operate, such as the Fluidized Catalytic Cracking Unit. The only new emissions units that would be added to the refinery would be new valves and flanges, present in the new piping. These components have the potential to emit volatile organic material when a leak occurs.

In addition to the emissions attributable to the operation of the units at the Hartford facility and the piping, the permit would also address the Wood River facility, where emissions increases may result from handling material from heavier crude oil, as can be handled with the Hartford units. Because the Hartford Refinery had the capability of handling heavier crude oil, emissions increases may result at the Wood River Refinery from the processing of heavier crude oil.

ConocoPhillips' application shows that the overall effect of the Hartford Integration Project on emissions increases of pollutants would be less than significant. For this purpose, for nitrogen oxides, ConocoPhillips relies on contemporaneous decreases in emissions at both the Hartford and Wood River facilities so that the net emissions increase would not be significant. These decreases include the decreases in nitrogen oxide emissions associated with the shutdown of various units at the Hartford Refinery, including the Fluidized Catalytic Cracking Unit and the phaseout of pitch as a fuel at the ConocoPhillips Refinery. Overall, the net change in nitrogen oxide emissions would be a net decrease. Accordingly, the project would not be a major

modification pursuant to the federal rules for Prevention of Significant Deterioration.

The Illinois EPA has reviewed materials submitted by ConocoPhillips and has determined that the emissions from the project would comply with applicable state and federal standards. The conditions of the proposed permit contain limitations and requirements on the activities of the facility. The permit also establishes appropriate monitoring, recordkeeping and reporting requirements.

In closing, the Illinois EPA is proposing to grant a construction permit. We welcome any comments or questions from the public on our proposed action. Thank you.

MS. MORENO: Fred, would you please talk about the NPDES permit? Thank you.

MR. ROSENBLUM: Okay. Hello. This is Fred Rosenblum. I'm with the Division of Water, Permit Section, and I work on the NPDES permits for industrial facilities. And this is one of them. And everybody should have a copy of the Public Notice/Fact Sheet, Public Notice of Draft Permit and the Draft Permit.

NPDES permit -- NPDES stands for National Pollutants Discharge Elimination System. And it regulates discharges into the waters of the state. Page 1 of the Public Notice/Fact Sheet describes what the facility does. They are a -- they operate a petroleum refinery, produce gasoline, fuel, oil, asphaltic products and so on. They currently process approximately 310,000 barrels of crude oil per stream day. The lube units are no longer in place. They have -- Premcor and Hartford had operated a petroleum refinery, but they no longer operate a petroleum refinery.

And ConocoPhillips has purchased some of former Premcor's refinery units, some of the coking units and as well as crude units. And as a result, upon integration of those units, the refinery will process approximately 323,000 barrels of crude oil per stream day.

Also on page 1 of Public Notice/Fact Sheet, it discusses how the wastewater is generated. The outfalls 001 and 002 are -- include treatment of processed wastewater, and the refinery process is sanitary, and storm water which is treated in the refinery units. Outfall 001 is the lagoon discharge. Outfall 002 is the lagoon bypass. Outfalls 003 through 008 consist of storm water. 003 is under the definition of contaminated storm water, under -- and are subject to federal regs for that. And all the flows are listed as well.

The integration -- commencement of operation and integration of the former Premcor Refinery units will increase the average discharge flow at outfall 001 to 7.49, from 7.09. So it's a .4 million gallon per day increase.

Page 2 of the Public Notice/Fact Sheet talks -- discusses what category they are under. They are under the provisions of the Petroleum Refining Point Source Category. 40 CFR 419 applies to the operation. They were previously under the lube category, Subpart D. But now they are under the cracking subcategory, which is Subpart B.

Also on -- if you look on page 2, it lists each outfall. The receiving stream, the latitude/longitude classification and biological stream characterization. All of the outfalls go directly to the Mississippi River, except the storm water outfall from 003, which goes to an unnamed

ditch tributary to Grassy Lake, tributary to the river. Also, as far as the 303(d) list, also mentions that the Mississippi River is on the 303 (d) list of impaired waters. And the list of pollutants and potential contributors are listed as well on that page.

Now, and then after that, page 3 starts the effluent limitations and monitoring pages. You have got pages 3, 4, and 5 and 6. And basically, this is for outfall -- outfall 001, when, in a given month, there is a discharge from -- only from 001 in a given month. And that's the lagoon discharge. And it shows the concentration limits. It shows the load limits. And it shows each parameter that is regulated, as well as the regulations used to -- to arrive at those limitations.

And, of course, page 4 is for outfall 002. And that is -- applies during months when there is a discharge only from outfall 002 and not 001. I might add that outfall 001 includes the Roxana waste, whereas 002 doesn't. So -- and that was taken into account in doing the calculation of the load limits.

And page 5 of the Public Notice/Fact Sheet also has a summary of the concentrations and load limits, as well as the regulations that apply. And that's for during months of outfall 001-002, so that's during the months when there is a discharge from both outfalls.

Okay. And page -- okay. Page 6 has the outfall for contaminated storm water. That's under refinery regs, 40 CFR 419. So for those regs, there are limitations that apply. And also here, you have concentration limits, load limits, and the regulations that apply. And as you notice,

the oil and grease limits and the TOC limits are based on the federal regulations for contaminated storm water. They have to meet those limitations. Outfall -- the TOC stands for total organic carbon. Outfalls 004, 005, 006, 007 and 008, that -- I mean, that's storm water that does not come into contact with any material, any raw material or finished material. And storm water pollution prevention plan applies to prevent the discharge of any contaminants.

Now, on page 6 of the Public Notice/Fact Sheet, it discusses the load limit calculations for outfall 001 and 002. Part A talks about the state load limits, which is based on the average and maximum flows. And we took into account, of course, the fact that upon issuance of the permit, the -- when the permit is issued, the Premcor -- former Premcor Refinery units will be in operation. And we calculated the load limits accordingly.

Part B talks about production-based limits. And it's based on the -- on the production. And this case, Subpart B, under 40 CFR 419, is what applies. And based on a production rate of 323,000 barrels of crude oil per stream day.

And in any case, on page 6, it talks -- we talk about how the -- the calculation is based on what the calculations for BPT is. It's best technology -- Best Professional Technology, the load limit, 40 CFR 419.22. We took into account the number of barrels of crude oil per stream day, the size factor and the process factor. And there is a sample calculation for that as well.

Page 7 goes over sample calculations as well for BPT, and -- okay. Per various parameters, for 001 and for

002. And as I mentioned before, 001 contains -- the fact that 001 contains the Roxana waste, whereas 002 doesn't, that was taken into account in calculating the BPT load limits. At the bottom, it talks about the BAT load limits from 40 CFR 419.23, Best Achievable Technology. And they were based on the various thru-puts. And we listed, you know, different processes: crude, cracking, asphalt, reforming and alkylation. And we mentioned that, upon the operation integration of the former Premcor units, what they will be -- what these will be. The integration of the former Premcor Hartford Refinery units will add some -- as far as -- as far as coking, it will add some of that, as well as -- as far as crude, the capacity will increase some.

Page 8 discusses the calculations for the BAT load limits. It goes over how it was done. Okay. And, of course, we took -- in determining the load limit, we took the more stringent of the load limits. We compared the federal load limits, BAT, BPT, and the state load limits, and we put in the more stringent load limit.

Also, at the bottom of page 8 of the Public Notice/Fact Sheet, it talks about storm water credits. And this is also summarized in the Draft Permit as well. It says additional storm water credit for the following parameters at outfalls 001 and 002 are based on the quantity of storm water flow taken through process treatment. It lists pounds per 1,000 gallons of storm water flow, for the various parameters. And this is the case where the federal -- the parameters that are eligible for storm water credits are those where the federal load limits are more stringent. And they can be adjusted up to the -- for storm water to the

state load limits.

So if you look at page 9 of the Public Notice/Fact Sheet, it says permittee shall not exceed the following load limits at any time, and it -- it summarizes those, as a result of storm water flows. And as I said, the load limits are the more stringent of the state and the federal guidelines.

Page 10 talks about -- it's a summary of the special conditions that are in the Draft Permit. And I'll go over that when I discuss the Draft Permit itself. But the special conditions serve to clarify the discharge conditions and monitoring requirements.

Attached to the permit is a map, showing the discharge locations for each outfall, as well as -- as well as the nondegradation review from planning. In this case, the nondegradation review took into account the purchase and the operation integration of the former Premcor Refinery units, which would result in some increases in thru-puts, as I mentioned before, as far as, for instance, the amount of crude per day being processed. And also, it took into account the fact that -- that the average flow will increase by 0.4 MGD. And also -- and this is after there are some changes in the refinery, since the permit was last public noticed. As I said, lagoons were eliminated. They have proposed an -- I guess low sulfur and low gasoline units, as well as the start-up of the former Premcor Refinery unit. But anyway, nondegradation is summarized here as an attachment to the permit.

Okay. The Public Notice of Draft Permit is just one page. And it summarizes, you know, what is summarized in



the Public Notice/Fact Sheet, as far as what the facility does, what -- what is -- what is the production, how much production occurs, what category they are under, what refining category they are under. And then you have the Draft Permit.

Now, page 1 of the Draft Permit goes over -- well, you have the name of the discharger and the name of the facility on the left and right. You have the discharge name for each outfall on the left side. And then on the right side, it -- it's the receiving stream.

Now -- okay. Now you have page 2 of the permit. You have pages 2, 3 and 4 are effluent limitations and monitoring pages, which go over outfalls 001 and 002, as far as the treated process, sanitary and storm water goes through the treatment works. You have the parameter on the left-hand side, what parameter is being monitored, what the concentrations and load limits are, as well as you have the sample frequency and sample type.

As I mentioned, for outfall 001, this page applies when there is -- in a given month, when there is a discharge from only outfall 001. You have the same thing on page 3, for outfall 002, which is the lagoon bypass. And that's, of course, when only 002 discharges in a given month and 001 doesn't discharge. And page 4 is -- applies during months when there is a discharge from both outfalls, 001 and 002, in a given month. And of course, on these pages, it references some special conditions that apply to the various parameters.

Page 5 is for contaminated storm water, that fits under the regulations for refineries for contaminated storm water. For outfall 003, you have got pH, oil and grease, and

TOC. You have the sample frequency and sample type. You have a reference to the special conditions. Now, I believe in the existing permit, for oil and grease, we listed the limits as 15 milligrams per liter average and 30 milligrams per liter maximum. That's the state numbers. And the federal limits for oil and grease are more stringent, 15 milligrams per liter. That's the federal limits.

Now for TOC, Total Organic Carbon, and that's in the current permit, we don't regulate Total Organic Carbon. But in this permit, we determined that it does fit -- the output level 003 does fit under the definition of contaminated storm water, unless -- there is a limit of 110 milligrams per liter that applies to TOC.

And 004 through 008 are the storm water discharges, which do not come into contact with any raw material or finished material. And a storm water pollution prevention plan applies to prevent the discharge or to reduce the discharge and prevent the discharge of contaminants on these pages. Of course, we referenced the special conditions.

Now, pages 6 and -- 6 and through the rest of the permit, 6 through 14 go over the special conditions, which serve to clarify the discharge conditions and monitoring requirements. I mean, you have -- well, some of the highlights. Let me go over some of the highlights. But on page 6, one of the highlights -- page 6 and 7 goes over the sample location, and for outfall 001 and 002. And that's summarized, parts A and part B. And then page 7 talks about the sampling for outfall 003. Basically, it's that it should be taken at a point representative of a discharge prior to

the receiving stream.

Now, special -- and then you go on. Special -- page 7 of the Draft Permit goes over more of the special conditions, including some discharge monitoring reports. Going -- Special Condition 11 is another highlight. And that's storm water credits, which apply to outfalls 001 and 002. For contaminated storm water, it goes through the treatment system. And an additional storm water credit for the following parameters shall be based on the quantity of storm water flow taken through processed treatment. And we summarized those.

Page 8, it lists those for outfalls 001 and for 002. So you have those. The -- which -- and it's adjusted. In the case where the federal load limit is more stringent than the state load limit, then it's adjusted up to the state load limit for storm water credits.

Special Condition 12 is biomonitoring requirements. Okay. And then you go down to page 9. Another highlight -- well, another highlight. Since they have treatment, Special Condition 15, they need a Class K operator, since these -- it is a wastewater treatment works.

Special Condition 17 is the pollution prevention plan, which applies to storm water that does not come into contact with raw material or finished material. Storm water that doesn't fit under the regs for contaminated storm water, in this case, a storm water Pollution Prevention Plan is applied to reduce the discharge contaminants. And that's Special Condition 17. Okay. Now, that goes into page 13 of the Draft Permit.

Page 13 has some more of the special conditions.

Another one -- another highlight is Special Condition 22, on page 13. Well, it talks about a mixing zone delineation study that was done.

Let's see. Special Condition -- okay. 25 and 26 address outfall 003 for contaminated storm water. 25 says permit may be modified as a result of indicated analyses to include more frequent monitoring for pH, oil and grease and TOC, as well as monitoring for additional parameters, as a result of these.

Special Condition 28 (sic) talks about spill containment. It mentions the storm water retention area that discharges shall not be used for spill containment. It's basically -- Special Condition 26 is used to help make sure that they prevent tank guide overflow, as well as helping -- it helps comply with the limitations that are in the permits.

And, of course, Special Condition 26 is on pages 13 and page 14.

And so anyway, Special Condition 27 talks about a burden -- burden reduction review. It only -- in this case, an expert at the USEPA program, basically, the agency did a monitoring reduction review, and based on a compliance assurance sheet, we determined which parameters were eligible. And based on the comparison of the monthly average concentration to the monthly average limit, we determined what the sample -- you know, if it's eligible, and if it is eligible, to what frequency it could -- based on USEPA guidelines, to what frequency it can be reduced to.

Outfall 002 is not discharged often enough to, you know, where any of the parameters can be eligible for that. But for outfall 001, you know, that's summarized here. The

parameters that can be re -- you know, that can be reduced as a result of that. And it says if effluent deterioration does occur, we could modify the permit to increase the frequency back to the original monitoring frequency.

So -- and anyway, Special Condition 14 -- or page 14 is the last page of the Draft Permit. So that's a summary of the Draft Permit.

MS. MORENO: Thank you, Fred. I would like to now call on Gina Nicholson from the company.

MS. NICHOLSON: Good evening. My name is Gina Nicholson. I'm currently the health, safety and environmental manager at the ConocoPhillips Wood River Refinery. I have been employed by the refinery for over 25 years. I started my employment at the refinery after I received a BS degree in Chemical Engineering from the University of Missouri at Rolla in 1978.

I have been involved in compliance with Air and Water Pollution Control regulations at the Wood River Refinery for the last 15 years. My responsibilities include assurance that procedures and controls are in place for compliance under environmental permits, such as the proposed Hartford Integration permit and the NPDES permit, which are the subjects of this hearing.

The ConocoPhillips Wood River Refinery has been in existence for 85 years. When I was hired by Shell back in 1978, there were only three refineries -- or there were three refineries operating in the area: Shell, Clark and Amoco. As we all know today, only one of those refineries is still in operation, the former Shell, which is now the ConocoPhillips Wood River Refinery.

Over its 85 years of operation, the Wood River Refinery has survived many changes, including several changes in ownership. Fortunately, the refinery has been and still is operated by responsible owners, and many improvements in environmental, safety and equipment reliability have been made to the refinery throughout its long history.

I know this personally because I was actually working at the refinery when many of these improvements were made. I have seen almost three decades of improvements in environmental performance. The refinery has spent millions of dollars in achieving environmental excellence. The refinery has hundreds of monitoring points in our operation that we continuously check to assure that we are in compliance with environmental regulations.

Last year, on July 31st of 2003, ConocoPhillips purchased certain above-ground Hartford Refinery assets from Premcor. With that purchase, these assets will become integrated into the ConocoPhillips Wood River Refinery. This is something that previous owners of both facilities had tried to accomplish in several failed attempts, but last July, it finally became a reality.

Following the purchase, Premcor still retains ownership of most of their hydrocarbon storage tankage, their wastewater treatment plant and their underground hydrocarbon pipelines that run beneath the village of Hartford. These underground pipelines run between the former Hartford Refinery and the barge loading facility at Premcor's dock, located west of Route 3, on the Mississippi River.

ConocoPhillips is aware of the past contamination and ongoing problems with ground water and gasoline vapors in

the basements of homes in the village of Hartford. Several other refining companies are presently involved in cleanup and mitigation of this historical problem, through a joint initiative being led by the Environmental Protection Agency.

ConocoPhillips is not a contributing party to the historical contamination and therefore is not involved in the joint effort. However, ConocoPhillips is taking a number of measures to assure that we will not contribute to these existing problem areas and further ensure that we will operate the purchased assets in an environmentally responsible manner.

First, ConocoPhillips purchased only the above-ground process unit assets of the former Hartford Refinery. As I previously stated, ConocoPhillips did not purchase any of the Premcor underground product pipelines that run beneath the village of Hartford.

Second, ConocoPhillips is spending \$100,000 to inspect the sewer system in the purchased coker/crude area, to assess the integrity of the sewer system. Also, ConocoPhillips will spend several hundred thousand dollars to make needed repairs to the sewer system to assure that there are no leaks in this system prior to restarting the purchased assets.

And third, ConocoPhillips will spend over \$1,000,000 to route all industrial wastewater from the newly inspected and repaired sewer system in the purchased coker/crude area over to the Wood River Refinery Wastewater Treatment Plant. This will allow us to maintain positive control over the industrial wastewater that is generated.

ConocoPhillips has put in place procedures and

systems to comply with the requirements of the proposed permits. This includes the operation of four Continuous Emissions Monitoring systems, at an equipment and installation cost of approximately \$800,000. These monitoring systems are designed to operate 24 hours a day, seven days a week, 365 days a year.

The combined air emissions and wastewater discharge -- discharges, as a result of the Hartford Integration Project, will be less than the previous operation of the two separate refineries. The reason for this is mainly because emissions from the Hartford flare will be greatly reduced under ConocoPhillips' operation. Air emissions from the flare will decrease by approximately 3,000 tons a year of sulfur dioxide.

Also, the additional treatment capabilities of the wastewater treatment plant at the Wood River Refinery will remove more contaminants from wastewater prior to its discharge to the Mississippi River. In the proposed NPDES permit, seven out of the nine total discharge limits are lower, which is a proposed decrease in the overall loading to the Mississippi River.

In conclusion, ConocoPhillips requests finalization in granting of the proposed permits for the Hartford Integration Project. This action by the agency will finalize over a yearlong effort by ConocoPhillips to restart certain assets of the former Hartford Refinery. These permits and the integration of the Hartford facilities are critical to the long-term survivability and competitiveness of the Wood River Refinery. They are -- they are of great importance to our employees, local businesses, our local



labor unions, the surrounding communities who depend on the facility as a tax base, and now to the village of Hartford. We at ConocoPhillips look forward to becoming a valued member of the Hartford community. Thank you.

MS. MORENO: We have a number of public officials here who would like to make statements. And for these gentlemen and also everybody else, when you come up, if you would spell your name for the court reporter, and speak up so that the court -- everybody can hear you and the court reporter also. And I will ask, in deference to the court reporter, if you have comments about something that somebody is saying, if you would please hold your comments and then get up and make a separate comment, instead of trying to have a dialogue. Because it's very, very hard to take down, and we are here to do everything we can to keep the court reporter happy. Thank you. She does the transcript.

I would like to call on Mr. Bill Moore, who is the mayor of Hartford.

MR. MOORE: Bill Moore. It's Bill, B-i-l-l, M-o-o-r-e.

As the mayor of Hartford, I would like to say, as a village, we support the efforts of ConocoPhillips with their ventures at the previous Premcor facility. We welcome them as a new neighbor. As stated, jobs to this area, this community, this county, is greatly needed. We thank you for your -- your efforts at the facility.

Revenue-wise, they mean 14 percent of our revenue, to the village of Hartford. Community-wise, this is a new neighbor. We welcome them. Thank you.

MS. MORENO: Mr. Hubbard, the mayor of the

village of Roxana.

MR. HUBBARD: It's Fred Hubbard, H-u-b-b-a-r-d.

As the mayor of Roxana, I represent the people of Roxana. And what I want to tell you about is ConocoPhillips.

Because this is a new adventure for Hartford, but it's not a new adventure for the village of Roxana. I could sit here and talk about the economic impact for the village of Roxana and what it does for us, but I think most of the people out here know what the oil refineries do.

What I really want to talk about is communication and a relationship that we have with ConocoPhillips. I brought my cell phone tonight. And I was going to pick this phone up, and I was going to dial a number, and Melissa Erker was going to answer that phone tonight. Because whenever I dial that number and dial her number, she answers that phone.

And when I say, "Melissa, is Herman there?" if Herman is not there, she says, "I'll get Herman. Now, Mayor Hubbard, can we help you? What can we do for you?" That's the relationship that I have 24/7. I can get them out of bed if I need to. I can talk to them early in the morning. I can talk to them in the morning. If I need to have a meeting, it's, "When do you want to have that meeting? When can we get together? What's your problem? How can we help you?" That's a relationship that we have.

When something happens at the oil refinery -- believe it or not, accidents happen. Emissions, something may go wrong. A fire may happen. The first people that are called is the mayor of Roxana. I get a phone call before Herman or Melissa get to the refinery. They are allowing me to notify my people. And, of course, my fire department or

my public works director or the people that I'm associated with are contacted immediately by the refinery representatives. But these people make me aware, as the mayor of Roxana, so I can make my people aware of what's going on. So my people are protected.

And that's the thing that I think, in all this pollution, talking about the storm water, we are talking about the air pollution, we are talking about an industry that is very volatile. There is torches out here. There is flames. There is things that's going on. This is manufacturing. That's a word that most of us in the state of Illinois don't know what it is, manufacturing. And that's in this facility. And these people care enough about us, the people of Roxana and the people of Hartford, to communicate with us, to let us know what is going on. If there is a problem, they seek us out and they tell us. Now, do they have to do that? Probably not. This facility in Roxana is a multi-million dollar facility. ConocoPhillips is a billion dollar facility, multi-billion dollar. We are little people. But, you know, they care about the little people.

And when we talk about these permits, we are integrated -- this storm water discharge, number one, it says Roxana. Some of you may be thinking Roxana refinery, but that's Roxana's wastewater treatment plant. We run our water treatment plant through the facility of the refinery and have for years. And it discharges into the Mississippi River. We have that relationship.

Not only do I have that relationship, my public works director, my public safety director, the people in my community that operate it on a day-by-day basis can pick that

same phone up and call Melissa. They can call any engineer that they deal with every day at that refinery and get the responses that the people of Roxana need and the people of Roxana want.

So my comment tonight is that when you give a permit here, and we authorize a permit for this refinery, storm water, or water permit, or the air permits, we are also gaining a neighbor, somebody that is going to work with us, hand in hand, in every activity that they do, and has been very successful. The relationship that we have is very rewarding for the people of Roxana, not just in the financial part, which I think we all know, but in the everyday operation and their care for us as a community. Thank you.

MS. MORENO: Thank you, Mayor.

Marty Reynolds, who is with the village of Roxana.

MR. REYNOLDS: Marty Reynolds, M-a-r-t-y,  
R-e-y-n-o-l-d-s.

My name is Marty Reynolds. I'm public works director for the village of Roxana. And I'm speaking here on behalf of the citizens I serve. The ConocoPhillips Refinery, as we all know, per se, the name has changed on the marquee a few times over the last years. But I'm proud to say that the commitment behind that marquee to the community hasn't changed. The refinery has dealt with -- the ConocoPhillips Refinery now has dealt with the wastewater disposal needs of the village of Roxana since 1929. And we desperately need to see those needs continued to be met on behalf the agency.

The village of Roxana is currently involved with the agency to acquire an NPDES permit, a construction permit, and the construction and start of a new wastewater treatment

plant. But until that occurs, we are dealing with regulatory issues which are time-consuming. We are desperately dependent upon the ConocoPhillips Refinery for our wastewater disposal needs.

The Conoco people that, as the mayor mentioned earlier, I have an opportunity to deal with are all top-shelf people. They are all keepers. And they meet our needs on a daily basis. They are an integral part of our community. And I see nothing on the horizon but good things for the village of Hartford because of ConocoPhillips' interests in the Premcor facility. Thank you.

MS. MORENO: Thank you very much.

Mr. Larry Busch, representing the Wood River/Hartford schools.

MR. BUSCH: Larry Busch, B-u-s-c-h.

A little over two years -- I'm Larry Busch, Wood River/Hartford superintendent. A little over two years ago, we were all very worried in my particular school district about what was going to happen if the Premcor facility closed, as a significant effect, obviously, on the tax base.

It was wonderful news when we found out that ConocoPhillips was going to at least use part of that facility and put it back in operation. Thus far, in the -- in the last six months, they have worked more with my district than the previous refinery worked with our district in the last 10 years. And so I can only echo the comments that have been made about their communication.

They have made us a part of their family, right off of the bat. They have -- they have already involved us in environmental educational affairs, with our students,

showing us that they do have an interest in maintaining the environment. And it is very, very pleasing and exciting to drive by the old Premcor facility and see the number of cars and the number of workers that are out there, that are taking what might have been just an empty place and turning it into a very lively place that will have an economic impact on the community. Obviously, it will have an economic impact on the school district. But as significantly, it will have an impact on every taxpayer in the area because of the amount of taxes that they do pay and because of the wealth that they bring to the area.

I don't know much of the crude oil business. I don't know a whole lot about emissions and all of that. But the little bit that I do know about these people, I have developed a trust and a confidence in them that they are not going to do something that is going to bring danger or harm to the area. In fact, I think just the opposite. They have already shown us that they are more interested in doing what they can to maintain the area and make it a better place. So from my stand point of view, in the short relationship that I have had with them, I would strongly encourage that their permit be granted and their work be allowed to go on.

Also, somewhat late, on behalf of our Board of Education, I would like to welcome you all to our facility. I am sorry that so many of you have to stand. But we are an elementary school, not prepared for such a forum. And so I apologize to you for that. But I'm glad you are here this evening.

MS. MORENO: And on behalf of the agency, I would like to thank you very much for making this facility

available to us at very short notice.

MR. BUSCH: You are welcome. That's fine.

MS. MORENO: Tina Williams, representing  
Representative Steve Davis.

MS. WILLIAMS: Tina Williams, W-i-l-l-i-a-m-s.

Good evening. I am here on behalf of  
representative Steve Davis, who is unable to attend tonight.  
And I would like to read a letter that he recently submitted  
to the EPA hearing officer:

"Attention: IEPA hearing officer. As the state  
legislator representing the district where the ConocoPhillips  
Wood River Refinery sits, I would like to express interest in  
the issuance of the air construction and operating permit as  
well as the NPDES permit for the Hartford Integration  
Project. This refinery is a critical employer in my district  
and a base to a manufacturing industry in southwestern  
Illinois.

"The ConocoPhillips Wood River Refinery employs  
more than 760 people from our region and is supported every  
day by additional contract positions. The facility has a  
property tax base of more than \$5,000,000 a year to our  
taxing districts. The refinery's plans to refit some of the  
operating units at the former Premcor Refinery will help  
ensure the future of this refinery in our region.

"My legislative district has lost two other  
refineries in this region, and the loss of the ConocoPhillips  
facility would devastate the community even more. I must  
then support their expansion efforts in order to allow them  
to maintain a strong foundation in this industry. I have  
regular contact with their management and know they place a

high emphasis on operating the facility both safely and with environmental responsibility.

"Please consider my comments as you review the applications made by the refinery for their air construction and operating an NPDES permit. Sincerely, State Representative Steve Davis."

Thank you.

MS. MORENO: Thank you. We have received a copy of that letter. And it's been entered into the record.

Mr. Williams.

MR. WILLIAMS: Darrell Williams, D-a-r-r-e-l-l, Williams, W-i-l-l-l-i-a-m-s.

Well, I'm Darrell Williams. I know quite a bit what they are talking about, because I've been fighting refineries for years. Now as far as these guys, I can see where they're coming from. They get a lot of tax base from these, these mayors of these towns. I come from South Roxana. We don't get nothing but pollution. But anyway, I can see where this new company is doing a lot better than we had with Shell. But we still have the problem with the water runoff. Like that coker got started up now, if you get heavy rains, you have got this coker with oil on it, and it runs through the ditches, and it comes down 111. It goes in the Grassy Lake. And sometimes the odors are so bad you can't breathe, from the crude oil or whatever they mix it with. And this is harmful to your health.

The reason I can tell you this, I lost a wife about three and a half years ago, at Washington University. And the first thing they said to me, "Has she been around chemicals?" I said, "All her life, she grew up in Hartford



and South Roxana." So I know where they're coming from. And all I tell people is watch your children; watch your health, because it ain't always the cigarettes killing you. I never smoked, and she never did either. You have got to watch these things. Chemicals are hurting you.

It's nice to get the tax base. It's a wonderful thing. It's nice to have the jobs. It's a wonderful thing.

Remember your children. When you are gone, they have to live through this too. It's just the water is a lot worse than you think sometimes.

I've also wanted the attorney general -- and I'm glad these men are here. We need a health thing, where they go door to door and ask people, "What did your family die of?

What did your friend die of?" This would open the eyes of people, instead of this black and white stuff we see on paper that looks good. But when you go out there in that air, and you know what it does to you, and you know what the pollution does to you.

So I just tell everybody, "You are not ignorant no more. You have been educated." We was ignorant to it for years. When I grew up in this town, I was ignorant to what was going on. And you just took it for granted. But when your friends start dying at 40 and 50, you wonder what happens. So I just tell everybody, "Stay educated."

MS. MORENO: Thank you, Mr. Williams.

Ms. Doris Dhue.

MS. DHUE: Doris Dhue, D-h-u-e.

My main concern is: can the plants take the excess water from Premcor over there? Because recently, we had tremendous air pollution, that we had to call EPA in South

Roxana. Because of the chemical smell, our eyes burned, our throat burns. We had to call Collinsville to come over here.

My biggest concern about the new plant is they did away with their environmental team. It used to be if we had a problem, we could call and get someone. Now all we get is a guard. So we don't get fast response when we do have a problem. And that's my main concern. I think they need to instill another environmental group.

MS. MORENO: Ms. Kathy Andria.

MS. ANDRIA: Kathy with a K, Andria, A-n-d-r-i-a.

My name is Kathy Andria. I'm with the American Bottoms Conservancy. And I appreciate the gentleman who just spoke about the problems. I grew up in Granite City. And my father worked for a steel mill. And we have lots of pollution in Granite City. And I have a cousin who lost a child at four years old with leukemia, who she thinks that it was caused by the steel mills. And I do appreciate all of you who are worried about your jobs, who have lost jobs, who have really concerns about your houses.

What we have been doing, we are looking at the permits, and we are trying to get some questions answered, that -- so that we can make a decent public comment on this.

I drive by here a lot. I smell the smells that you all have to live with. I smell them just for a few minutes, as I drive by. This hearing was originally scheduled to be a few blocks away at the Hartford Recreation Center. One of -- we drove there yesterday, just to see what the facility was like, to see if there were going to be any little chairs or big chairs, any chairs at all. And, of course, we couldn't get in, because we were told by the people there that there

was a concentration of vapors that was so strong that it could have triggered an explosion. This is a gym used by youngsters in this town.

We are told that the vapors come from the pool of gasoline that Ms. Moreno was talking about, perhaps 4,000,000 gallons of gasoline and petroleum products that sits on the groundwater under the city. This gasoline has leaked from nearby refineries and pipelines. The state has indicated that Premcor Refinery and pipelines may be a prime contributor to the problem. I know that you said that ConocoPhillips is not responsible for this. But they are buying the Premcor equipment, so I think it becomes a valid issue. The -- the permit is for equipment that Conoco has bought from Premcor and wishes to integrate into their operations.

I would like the questions answered that I have. Has each piece of equipment that is included in this permit been identified; that is, do you know what specific unit, what specific pieces of equipment, are included?

MR. SCHNEPP: Conoco-Phillips did supply a listing of which pieces of equipment and the respective operating permits that they operate under.

MS. ANDRIA: Do -- it's my understanding that we are not allowed to see that, that it's a trade secret. Nearly half of the pages in the application are blank, and the company is claiming trade secrets. It does not seem a very -- like a good neighbor to keep -- the description of the project even, the description is a trade secret of what the project is. Can you supply us with a list of the construction permits so we can see what equipment has -- is

being permitted?

MR. SCHNEPP: We can give you a list of the permits that have been transferred to ConocoPhillips. Not all of the equipment will be operated, but we can give you the list of the permits.

MS. ANDRIA: Has each piece of equipment been inspected by the agency?

MR. SCHNEPP: Not that I know of.

MS. ANDRIA: Why not?

MR. ROMAINE: The equipment isn't currently operating.

MS. ANDRIA: Isn't the permit going to -- isn't the permit for the purpose of operating the equipment?

MR. ROMAINE: That's correct.

MS. ANDRIA: Would that not be -- since there is a problem here already, and it has been -- Premcor's been identified as the source of the problem, would it not be a good idea for the agency, since the agency is involved in addressing the problems, to inspect the equipment to see that it's properly operated?

MR. ROMAINE: It will certainly be appropriate to inspect it when it resumes operation. But at this time, when it's not in operation, there isn't anything to see.

MS. ANDRIA: Is there not a temporary permit that is allowing some of it to operate?

MR. ROMAINE: No.

MS. ANDRIA: Okay. Maybe some of the workers who work there would know that and could address that. It's not -- it's not been inspected at all, and it's not been tested?

MR. ROMAINE: No. When the Premcor facility

ceased operation, we ceased conducting inspections for purposes of emissions.

MS. ANDRIA: So that if that -- if you give them the permit for each specific piece of equipment, and then you go into and -- inspect it and see if it works properly, and then what if it does not?

MR. ROMAIN: If it does not, which is part of the reason we conduct the inspection, we would then take appropriate action to get the equipment to work properly. Now, the nature of the equipment that we are dealing with, what the emissions are, are basically combustion units, to supply heat to the crude unit and to supply heat for the hydrotreater and a coker unit. These are not units that are directly involved in production of gasoline. They produce -- or they handle incoming crude oil. They handle an intermediate stream from the coker operation, which would then be sent over to the Wood River Refinery. So there isn't any reason to expect that those units would ever contribute directly to gasoline problems present in the Hartford facility.

MS. ANDRIA: But are there not -- it's my understanding that it's not just gasoline, that there are other petroleum products that have contributed to contamination; is that correct?

MR. ROMAIN: I believe that's so, yes.

MS. ANDRIA: Is every piece of equipment that is being bought by ConocoPhillips, of the Premcor equipment, is all of that currently permitted?

MR. ROMAIN: Yes.

MS. ANDRIA: Has any piece been retired?

MR. ROMAINE: At this point, we are not aware of any pieces that have been retired, are we, Jason?

MR. SCHNEPP: No.

MS. ANDRIA: Have they all been checked, every permit cross-checked with every piece of equipment? Because just -- we don't have all of the permits. But in looking at some of the things that we have looked at, it appears that there are pieces that have been retired. When we get a list of all of the permits, we will cross-check and comment on that.

Are there any pieces of the equipment that are currently under a consent decree?

MR. ROMAINE: I don't know the consent decree by heart. There may be equipment at Premcor that is addressed by consent decree that was entered into by Premcor and USEPA with the federal government, dealing with certain operations at the facility.

MS. ANDRIA: Would that consent decree then also -- must that also then be followed by the owner who buys that equipment?

MR. ROMAINE: That's my understanding, yes.

MS. ANDRIA: So would that not be part of permit review, to check to see if -- if any of that equipment is under consent decree?

MR. ROMAINE: My recollection is that that involves the Fluid Catalytic Cracking Unit, which is not one of the operations that Premcor -- or from Premcor that ConocoPhillips currently intends to reactivate.

MS. ANDRIA: Currently under this particular project or currently under the whole thing that is this giant

four-phased project that really should be one project?

MR. ROMAINE: Well, I'm not sure what you are referring to.

MS. ANDRIA: Is the FCC unit ever going to be used?

MR. ROMAINE: We are not able to predict what ConocoPhillips might decide to do in the future.

MS. ANDRIA: Can you guarantee absolutely 100 percent that no piece of equipment that is currently being permitted in this permit has anything to do with contamination, leaking?

MR. ROMAINE: I can't do that. I think that's a question that would be better directed to the people that are working with the contamination issue.

MS. ANDRIA: Now, it seems to me it would be better addressed by the people who are going to permit the equipment, and that it should be looked at to make sure that the workers are safe, that the people who live here are safe, that the river is going to be safe, that the air is going to be safe, and that there won't be any more explosions.

MR. ROMAINE: But you asked me for a 100 percent guarantee, and I can't provide that. The level of my understanding is, if that is the case, that these units would not involve that situation. But I -- with my area of specialty, I am not the expert on that.

MS. ANDRIA: In the water permit, it talks about the four -- the four phases: the start-up of the low sulfur gasoline, the coking unit, the ultra-low sulfur diesel, and the gasoline -- the ultra-low sulfur or the new low-sulfur gasoline. These are four different phases of permit, of

this, and it seems to us, who are looking to have controls, that this should all be part of one permit. And it seems that this would be -- could be viewed as an attempt to escape New Source Review in putting on control technologies that would be required. Why are they not being addressed under one permit?

MR. ROMAINE: I think this is really a question for the air program. We have never categorized those as four phases. From our perspective, these are four separate projects which are being addressed by separate permit applications. We have issued permits for the ultra-low sulfur fuel projects. And what was the -- oh, the third project?

MS. ANDRIA: The low sulfur -- ultra-low diesel fuel.

MR. ROMAINE: We have not received that application, so we don't know. We have not received an application yet from ConocoPhillips. We don't know what changes they will have to meet to undertake to comply with that new federal regulation. When they complete their plans to comply with that new federal regulation, we would then review those plans and, as appropriate, issue a permit. The only project we have before us at this time, for the air side, on the emissions side, is the Hartford Integration Project.

MS. ANDRIA: But isn't that your understanding of New Source Review, that -- I mean, this seems very clearly an attempt to get around that, to put pollution control technologies on it. Maybe --

MR. ROMAINE: I guess I would beg to differ. It



certainly is not an attempt to get around New Source Review, when ConocoPhillips is making changes to the refinery to comply with federal requirements that require lower sulfur content in fuels. These are not projects that ConocoPhillips initiated. These are responses to government mandates.

MS. ANDRIA: But they -- I mean, they are not the only ones required to do it. They are all -- everyone is going to have to be doing that.

MR. ROMAIN: Not necessarily. It all depends whether the refinery wants to stay in business or that particular business, you know. The refinery does not necessarily have to supply the low-sulfur diesel market.

MS. ANDRIA: I have -- let's see. Are you aware of the fire that they had not long ago?

MR. SCHNEPP: Yes, we are aware of the fire.

MS. ANDRIA: Can you tell us the cause of the fire? And this was at ConocoPhillips, not at the Wood River Refinery.

MR. SCHNEPP: That's right. It was at ConocoPhillips.

MS. ANDRIA: And the cause?

MR. ROMAIN: That's a question not directed to

--

MS. MORENO: Yes. I think that -- we know there was a fire. And we investigated the fire. But the cause of the fire, I -- we are not really -- those of us who are here are not really equipped to speak to that. And I'm not sure whether the fire involved any of the equipment that is at issue here, but I don't think so.

MR. ROMAIN: No, it did not.

MS. ANDRIA: That's one of my questions, whether it was some kind of -- I don't have the name of it. And I'm just learning what these things are. And I thank you, ConocoPhillips, for the -- I think it was ConocoPhillips; maybe it was Premcor's website -- for that wonderful animation, if you want to know more about how all this stuff works. And it has little things that go through and a little cartoon. It's very helpful for those of us who are unaware of how all this works.

The -- I have a question for the engineer who spoke about -- from ConocoPhillips. She said that she had four continuous emission monitor systems. And I wondered what she monitors for, what the four are for.

MS. NICHOLSON: Jason can answer.

MR. SCHNEPP: The monitoring is for nitrogen oxide and sulfur dioxide.

MS. ANDRIA: Are there any VOC monitors anywhere?

MR. SCHNEPP: The monitors that she described were SO<sub>2</sub>, sulfur dioxide and nitrogen oxide, CEMs on Cat Cracker 1 and Cat Cracker 2. So that would be a total of four.

MS. ANDRIA: Okay. And I also -- I didn't understand quite the sulfur dioxide emissions, the number that he had was -- she indicated. What was that number? You have a number, and it seemed to differ with what is in the application of the permit, as to the decrease in sulfur dioxide emissions.

MS. NICHOLSON: What I said was that the amount of sulfur dioxide emissions will be reduced from the Hartford flare by approximately 3,000 tons a year. That's the Hartford flare that --

MS. ANDRIA: 3,000?

MS. NICHOLSON: 3,000, yes.

MS. ANDRIA: And that's from the flare?

MS. NICHOLSON: That's just the flare, that's correct.

MS. MORENO: Ms. Andria, do you have a lot more questions? Because I'm looking at the time and my stack of things here. And I don't want to -- I don't want to cut --

MS. ANDRIA: I understand.

MS. MORENO: -- you off, but --

MS. ANDRIA: Well, I understand that there are many -- no. I understand.

On the water permit, the village of Roxana had a public notice in the paper the other day, that they are -- and that was indicated in the application -- in the permit that they are proposing their own wastewater treatment facility, designed for .65 million gallons per day. And that will -- it will include a new discharge or outfall to the Cahokia Diversion Channel, enabling the village to disconnect from and cease discharge of its treated wastewater to lagoons owned by ConocoPhillips. ConocoPhillips, according to the -- the EPA website, has been in noncompliance four out of the last eight quarters on water. I wondered, with the -- Roxana taking its water discharge out of the ConocoPhillips lagoons, you are giving them a permit, and they are getting their own wastewater treatment plant. Won't there be a net increase of some .65 million gallons per day which will eventually get into the Mississippi River, and shouldn't you adjust this permit when they get it, downward, to reflect this?

MR. KINSLEY: This is Blaine Kinsley. That's K-i-n-s-l-e-y, first name B-l-a-i-n-e. I'm the Industrial Unit manager in the Division of Water Pollution Control, Permit Section.

This permit, once the -- Roxana has their own discharge -- and that would be a separate permit issue to them, an NPDES permit. And at that time, they would -- we would need to get a modification on this particular permit to exclude the Roxana discharges. So you are correct.

MS. ANDRIA: Very good. Appreciate that.

We also are concerned about the ammonia, and we want to make sure that the water-quality-based effluent limits are incorporated into the permit for total suspended solids and ammonia. And we have a lot of concern about the antidegradation assessment. So we will be submitting that in a -- in our comment. And what I'm trying to do is ask questions that -- and we are making our public comment at a later time, but these are questions that need to be asked -- asked and answered on the record. So I'll just have a few more.

MS. MORENO: Ms. Andria, again, I don't want to cut you off. But what I would like to do is either have you ask -- just read out your questions, and we will respond to them in the responsiveness summary, or if you would be willing to wait and defer the rest of your questions until some of the rest of the people have had a chance to --

MS. ANDRIA: As long as -- I don't want them to be in the responsiveness summary, because -- I mean, I want the questions answered in the responsiveness summary that we put in our public comment.

MS. MORENO: Sure.

MS. ANDRIA: I would be very happy to stay and ask them. But the reason I am asking the questions is we need the answers in order to submit our public comment.

MS. MORENO: I understand. I'm not trying to cut you off at all.

MS. ANDRIA: No, I understand.

MS. MORENO: I'm just looking at the clock. And I have a lot of people who would like to make comments.

MS. ANDRIA: Very good. And I appreciate it.

MS. MORENO: I appreciate it.

MS. ANDRIA: I would be happy to do that. Thank you.

MS. MORENO: Okay. Thank you very much.

Marie Herndon, I believe.

MS. HERNDON: Marie, M-a-r-i-e, Herndon,  
H-e-r-n-d-o-n.

Tonight is not about stopping the Hartford Integration Project. It's about starting this project out on the right track and ensuring that the start-up of the old Premcor Refinery equipment does not compromise the health and safety of the metro area residents as well as the men and women who work at the refinery.

I'll make this quick. Most of my comments or questions are about the consent decree. I spent quite a bit of time going through it, and the questions that I have all pertain to things that should have been put on the equipment pertinent to the consent decree.

MS. MORENO: If that's the question, if that's the issue, the consent decree, as I understand it, and Mr.

Morgan can correct me if I am wrong, that the consent decree doesn't involve the -- the equipment that we are talking about tonight.

MR. ROMAIN: There are two --

MS. MORENO: Oh, there are two consent decrees? I'm sorry. Well, is it okay? Is this really --

MS. HERNDON: They are real quick. I can --

MS. MORENO: Okay, fine. No.

MR. ROMAIN: Is this the air consent decree with USEPA?

MS. HERNDON: This is the air consent decree with USEPA.

MS. MORENO: Oh, okay. Fine then.

MS. HERNDON: There are a couple of things. First of all, have all the heaters and boilers been fitted with ultra-low NO<sub>x</sub> burners? As part of the consent decree, that was one of the requirements. Has the burning of fuel oil been discontinued?

MR. SCHNEPP: I don't know the answer to that, but we can find out.

MS. HERNDON: Okay. Has the burning of fuel oil been discontinued in all the heaters and burners, again as part of the requirement?

MR. SCHNEPP: I believe so.

MS. HERNDON: Does ConocoPhillips intend to continuously operate the existing coker gas recovery system during all periods during which the coker drums are switched, again, part of the consent decree?

MR. ROMAIN: The answer to that is yes. That's where the 3,000 tons comes from, that Gina was talking about.

MS. HERNDON: Okay. And one of the last things, we had noticed the FCC unit is used in the application as part of a decrease in emissions. Is that allowed? In the consent decree, it states that no unit that is in violation can be used as credits for a decrease in the netting exercises. However, in the application for ConocoPhillips, it has been used. And I'm kind of confused as to why it was allowed to be used.

MR. ROMAINE: My understanding is it has to do with credits for action that is required under the consent decree. So, for example, taking credit for installation of the ultra-low NO<sub>x</sub> burners would not be a source of credits. Shutting down the facility beyond that would be eligible as a credit.

MS. HERNDON: But the FCC unit was under violation. That was one of the major parts of the consent decree. I'm kind of confused as to how a unit that has violations, emissions, is allowed to be used in an emissions credit.

MR. ROMAINE: For that purpose, it's necessary to distinguish between the complied emissions that it should have been emitting and the excess emissions. You are right, ConocoPhillips will not be allowed to take credit for any excess emissions that occurred.

MS. HERNDON: So there were no excess emissions? Emissions that were used in that you know for sure are emissions that are typical for that unit?

MR. ROMAINE: Jason will check that to make sure.

MS. HERNDON: Okay. And then I guess in interest of time, I will leave you guys go. Thank you.

MS. MORENO: Kathleen Logan Smith.

MS. SMITH: It's Kathleen with a K, S-m-i-t-h.

Hi. I am Kathleen Logan Smith with Health and Environmental Justice, St. Louis. I would like to thank you for having us here tonight.

I wanted to express a few concerns because of the vagueness of the permit, because so much of it was not available for public review and blocked out as a trade secret. We didn't get to do -- we haven't gotten to do the kind of review that we would like to do on that. So I have a number of written comments I would like to submit in regard to that.

I understand how the community is welcoming ConocoPhillips because they are keeping an industry in town. And congratulations to them. And they may be new to the particular kind of -- you know, the problems here, in Hartford and Wood River, but they are not new to contamination. And you can ask the feds in Tonka City or Del City or Bartlesville, if you would like to know more about some of their issues across the country. They know about some of the problems that come along with refineries. And they also know that they can fix them. And I think that the people in this community deserve for the problems that are existing to be corrected, and for any potential problems to be prevented. And I'm not sure you can do that by buying equipment from a company that has contaminated this area. I'm not sure that equipment is up to snuff. And I'd like to see some evidence that it is.

Most of my comments right now are going to talk about some of the netting exercises, the netting analysis for



NO<sub>x</sub> emissions. I didn't see much data in the permit about NO<sub>x</sub> emissions. So we will talk about those in written comments. But I wanted to look at the netting analysis. The -- the permit asserts that there is a contemporaneous decrease in emissions from the refinery, which makes it not subject to PSD rules. This assertion rests in large part on the NO<sub>x</sub> netting calculations that were submitted for the Hartford Integration Project. These calculations claim that reductions in NO<sub>x</sub> emissions from Boiler 15, the fuel switch, Boiler 16, the fuel switch, the CDU charge heater shutdown, the DAU oil heater shutdown, the DAU asphalt solution heater shutdown, DU-2 mixed crude heater west, the DU-2 mixed crude heater east, both of those fuel switches and the RAU de-ethanizer heater shutdown. And these things were listed as items that would help offset increases in NO<sub>x</sub> emissions.

These reductions, according to the permit, total 125 tons per year. And these are the same reductions that were used in the netting calculation for the facility's previous permit. And I was wondering if you get to do that.

Do you get to count one set of decreases once, and then do you get to count them again? Because from my perspective, it's like writing two checks on the same dollar. And my bank doesn't let me do that. But I'm wondering if you are allowed to do that with this kind of program.

MR. SCHNEPP: You are allowed to do it. And at the same time, if those were increases, those would also show up. If this were contemporaneous increases, those would have also showed up on the netting table.

MS. SMITH: Well, they do list some increases on the netting table.

MR. SCHNEPP: Right. And not all of those -- in the past permitting, those have also been historically on there. For example, there is a November of 2002 permit. In the last netting exercise, that should have also been included in that permit.

MS. SMITH: So how does that work? Is the slate wiped clean every time there is a permit on there, or do they get to keep counting the same decreases against increases?

MR. SCHNEPP: The slate is not wiped clean. It's -- it will continually roll for, in this case, five years. And after five years, the first year will drop off the chart. And then --

MR. ROMAINE: And I guess the other thing is, the decreases stay in the five-year contemporaneous period. But the increases stay in the five-year contemporaneous period as well. So where they used certain decreases before for a particular project as an increase, what this shows is the increase from the project and the decreases that accompanied that project.

MS. SMITH: But they have used the same set of decreases twice now. Is that reasonable?

MR. ROMAINE: No.

MS. SMITH: No, they haven't?

MR. ROMAINE: Because they are using them against the previous increase. So if you look at -- I think what you are commenting on is some of these decreases have been used for the low sulfur gasoline project. But we also show the low sulfur gasoline project as a net ratings emissions increase. If we are going to drop out the decreases, we would also have to drop out the emissions increase. But the

netting is performed again for the five contemporaneous periods including all --

MS. SMITH: Okay.

MR. ROMAIN: -- contemporaneous increases and all contemporaneous decreases.

MS. SMITH: Okay. Thank you. That helps me.

The NO<sub>x</sub> netting calculation also counts reduction from the Fluidized Catalytic Cracking Unit shutdown at Hartford, the 320 tons per year, and the reroute/elimination of the flare streams at Hartford, 17.4 tons per year. And it's my understanding that these two sources are subject currently to consent decree that expressly forbids counting these two sources.

MR. ROMAIN: I'll have to check that out.

MS. SMITH: Is that correct?

MR. ROMAIN: But my understanding is the consent decree addresses sulfur dioxide emissions, not --

MS. SMITH: Not NO<sub>x</sub>.

MR. ROMAIN: Not NO<sub>x</sub>.

MS. SMITH: That was my other question is do they get to count these NO<sub>x</sub> decreases. Because otherwise, you know, they don't -- this doesn't come out so good.

One more question about the cracking units. CCU -- CCU-1 and CCU-2, the compliance for these emissions are calculated on a monthly basis with annual limits that don't add up to 12 months worth of emissions. Can you explain why?

MR. SCHNEPP: Actually, I think the compliance is not necessarily on a monthly basis. But because they have particular submission monitors, we have a requirement for daily records.

MS. SMITH: The statement in the permit says compliance of NO<sub>x</sub> emissions under the proposal is to be determined on a monthly basis, for NO<sub>x</sub>. That's what it says. 87 tons per month and 55 tons per month. Then it says, however, the annual limits for the units respectively are 968 and then 500.

MR. SCHNEPP: Okay. That's true. Compliance or the annual limit will be determined on a monthly basis.

MS. SMITH: Okay.

MR. SCHNEPP: At the same time, there is also a requirement to record SO<sub>2</sub> and NO<sub>x</sub> emissions on a daily basis, as determined by continuous monitoring. In regard to your question, can the monthly emission limit be less than 1/12th of the annual, in certain instances, we allow companies flexibility to have a higher monthly limit, as long as they are able to maintain the annual limit on a rolling 12-month basis.

MS. SMITH: Can they go over them? Because if they do 87 tons a month, and they do 12 months a year, they exceed their annual permit.

MR. SCHNEPP: Right.

MS. SMITH: So the question is, which months are they not going to be --

MR. SCHNEPP: Well, they would be in compliance with their monthly limit, but they would be out of compliance --

MS. SMITH: -- compliance with their annual limit. So we are writing them a permit that puts them out of compliance with their annual limit. And my question is why? How are they going to compensate for that?

MR. SCHNEPP: They would have to emit less on another month.

MS. SMITH: So how are we -- we didn't write them a permit to do that. Do they just know they are going to do that? Do they just know they are going to have to shut down a couple of months and not crank out at this capacity because you will be out of compliance? The math doesn't add up, guys. Enron would be proud here. I mean, it doesn't -- it doesn't come out right. And I understand it's an analytical process that you go through. But my question is, we are writing them a permit that gives them annual limits less than what it adds up to over 12 months.

MR. ROMAINE: That's intentional. The monthly limits address variation in operation and production that occur on a monthly basis. So those are set as numbers, which indicate, if that limit is exceeded, they have gone beyond their greatest level of maximum monthly operation, which should certainly be a concern for us in terms of what are the consequences at the end of the year. Rather than waiting until the end of the year to find out, yes, that particular month caused the overall yearly total to go over, we include a monthly limitation. Effectively, the annual number is based on an annual monthly emission rate.

MS. SMITH: Which is less than the monthly.

MR. ROMAINE: Which will be less than the maximum monthly.

MS. SMITH: Okay. So we have no idea what they are actually going to operate under, because that will fluctuate greatly, and we just have to watch the records?

MR. ROMAINE: Well, we --

MS. SMITH: Is that what you are going to say?

MR. ROMAINE: -- know that as by permit, they are limited into a monthly basis to a maximum of 87 --

MS. SMITH: Right. But 12 months of their monthly maximum puts them over their annual maximum.

MR. ROMAINE: My response to that is if they go over one month at 87, then we don't have to wait 11 months to pursue the annual violation.

MS. SMITH: It seems like it's an awkward way to do things.

What does it mean specifically to generally comply with the equipment leak requirements specified in 40 CFR? The term "generally comply" seems pretty vague to me. Because, you know, if you generally comply with the speed limit or -- what does it mean to generally comply? It's in the permit, and it seems incredibly vague to me, with leaking requirements. I mean, we have got a problem in this town with gasoline all over the place. This is not something people want more of.

MR. SCHNEPP: Under the refinery max, which is 40 CFR 63, Subpart CC, there are two compliance options. And those compliance options, rather than specifically identify each component of the compliance option in that federal rule, they reference another rule, actually, reference two different rules.

MS. SMITH: Right. I noticed that. I noticed that.

MR. SCHNEPP: So what this permit is saying, in general, they will be complying using --

MS. SMITH: Second, with the one --

MR. SCHNEPP: -- the option under Subpart VV, rather than Subpart -- they didn't list the other subpart, but it's Subpart H.

MS. SMITH: I just wanted that clarified for the record.

MR. ROMAINE: I will also comment, that language is used in a note, and it's explanatory language. It is not prescriptive language.

MS. SMITH: Okay. On the water permit, just had a question. Why -- why was the decision made to no longer monitor for cyanide, chloride, total dissolved solids and sulfate?

MR. ROSENBLUM: Okay. Right. As far as cyanide is concerned, cyanide is not being used. And they were constantly -- I mean, there are no federal limits for cyanide. Cyanide was in compliance. You know, they were well below the limits for cyanide. Since cyanide is not being used, we took that out. As far as the other parameters, chloride, TDS and sulfate, they had -- I mean, water quality limits would not -- I mean, they discharge into the Mississippi River, which has a great deal of dilution. And we determined that there would be no need for water quality limits for those parameters, that any water quality limit that would be derived may be well below those numbers.

MS. SMITH: Is there evidence historically that leads you to that conclusion?

MR. ROSENBLUM: Correct. They discharge to a receiving -- to a receiving stream with a great, you know, a large CFS, cubic CFS flow. And we determined that the data

that we had showed that there was no chance for a violation of water quality limits for those.

MS. SMITH: Okay. Thank you. And I just have one last question. In general, that it's very important to us that this facility operate as safely as possible. It's very important to the people in the city of St. Louis who have asthma, who have children who are living on inhalers, who have loved ones who have breathing difficulties, who are -- who have the risk of being exposed to anything when the wind is coming out of the east, which it does often enough. And when there is an accident over here, an explosion, that increases the particulate matter in the air, and the chemicals that are in the air. It exposes people in St. Charles County and in St. Louis County, who are already facing huge amounts of risk when it comes to air pollution issues. So it's very important to us that everybody involved with the permit make it as stringent as possible and that ConocoPhillips be as conscientious as we know that they can possibly be to make sure that the people here and people on our side of the river are protected. Thank you.

MS. MORENO: Thank you very much.

Mr. Jim -- I think Pennekamp.

MR. PENNEKAMP: You got it right. Very good. Hi. It's P-e-n-n-e-k-a-m-p, Jim.

Good evening. Again, my name is Jim Pennekamp. I am the executive director of the Leadership Counsel Southwestern Illinois, which is a regional economic development group, serving Madison and St. Clair counties. I have about 20 years of economic development experience in southwestern Illinois. And I just need to share with you the



fact that, over that time, we have seen significant changes in the economic landscape of this region.

At one time, basic manufacturing was our largest employment sector. We have now moved from a goods-producing region to a service-providing region. Retail rules. And I was just looking at our major employment list. And I hesitate to say this, but indeed, Wal-Mart is now one of our largest employers. The fact is that the future of this region is far from clear. We are in the midst of a very challenging economic transition. And, in fact, a successful transition will depend upon our ability to retain and position our existing manufacturing base, for the long-term viability, while attracting new employers in growth-oriented sectors of the economy.

Now, I think a lot of regions can say that. But what's important here tonight is that the Premcor Integration Project helps address the retention issue and positions ConocoPhillips for long-term business viability. It adds approximately 70 new jobs to the existing ConocoPhillips work force, which you heard was somewhere around 760 today. It also generates jobs within the contractor industry and construction maintenance industry. It brings shuttered facilities back to the local tax base. And I have to say, based upon the former rigorous questioning that went on here, that I'm more convinced than ever, based upon your responses, that it will do all of this in an environmentally responsible manner. The fact is that this region needs ConocoPhillips and it needs this project to move forward. Thank you very much.

MS. MORENO: Thank you.

Mr. Mark Loftus.

MR. LOFTUS: Mark Loftus, L-o-f-t-u-s.

Hello. My name is Mark Loftus. And I'm a new employee of ConocoPhillips. I was an electrical supervisor with Granite City Steel for 15 years. I come from a family of steelworkers. Both my father and my father-in-law are retired steelworkers. Over my lifetime, I have watched the steel industry go from being a giant to struggling for its own survival. I have listened to gloom-and-doom warnings for the last 15 years about the steel mill and finally watched as National Steel filed for bankruptcy, along with many other large integrated steel mills, such as Bethlehem, Armco and LTV and Filine. We have lost thousands of top-paying jobs in this region, in the last few years, due to companies such as Granite City Steel, Laclede Steel, Boeing, TWA, Ford Motor Company, down-sizing and relocating their operations.

A few years ago, we read in the local papers about how Premcor was choosing to abandon their operation in Hartford, rather than to invest the money needed to upgrade the plant. We read about how devastating that would be to the local school district and how the community was going to lose the much-needed tax money. I think we should celebrate the fact that ConocoPhillips has made a commitment to the Hartford area by investing millions of dollars necessary to keep this plant in operation.

I am grateful for the opportunity I have to work for a company such as ConocoPhillips. And I can tell you that the management and the employees that I have met at ConocoPhillips are very serious about operating a plant that is safe and operating it in an environmentally responsible

manner. Thank you.

MS. MORENO: Thank you very much.

I believe Mr. Ben Welling.

MR. WELLING: Ben Welling, W-e-l-l-i-n-g.

My name is Ben Welling. And I have worked on this project since August 11th. And there's strong safety concerns on everything we do in the project. We're replacing a lot of equipment with new equipment that was old and defective. And I feel that it's a safer working environment than it was when I worked at Premcor. And I feel that they have a strong commitment to safety for the community and the environment and the workers in the community.

MS. MORENO: Thank you, Mr. Welling.

Ms. Deanna Barnes.

MS. BARNES: Deanna Barnes, village of Hartford, D-e-a-n-n-a, B-a-r-n-e-s.

Good evening. I'm Deanna Barnes with the village of Hartford. I'm the project manager.

MS. MORENO: I'm sorry. I apologize for not calling you earlier. I missed your card.

MS. BARNES: That's okay. I would just like to testify on behalf of ConocoPhillips' request for a permit. Our community was devastated when Premcor closed its doors and 300 people lost their jobs. We could see no future for the Hartford Refinery and felt that it was destined to be a nonproductive eyesore. When ConocoPhillips proposed operating the Hartford Refinery, we were elated. ConocoPhillips is a company that is safety and environmentally conscious and a great neighbor, and we cannot wait for them to begin operating the Hartford Refinery.

We need good jobs in our community and a tax base to provide public services to residents and the businesses of our community. To not allow ConocoPhillips to operate the Hartford Refinery would in no way benefit the village of Hartford or the residents. We believe ConocoPhillips will run a safe refinery and provide tax dollars to our communities and schools. So we are here tonight to say we want ConocoPhillips in our community. Thank you.

MS. MORENO: Thank you very much.

Mr. John -- I believe Passiglia.

MR. PASSIGLIA: Pretty close.

MS. MORENO: If you were Italian, that's how it would be pronounced.

MR. PASSIGLIA: I am. I'm half Irish too. John Passiglia, P-a-s-s-i-g-l-i-a.

First of all, we welcome PhillipsConoco. I'm the business manager of Boilermakers Local 363. I've been there as the business manager 14 years. And I have seen a lot of plants close in the area. Where we used to have 800 people in my local, we are down to 400, because of things like this.

There are people trying to close the plant or not get the permit. Alton Boxboard, that's one we used to have a lot of people work up there. Laclede Steel. And the young lady over there mentioned the refineries. There has been more than three in my area, because I cover the whole southern Illinois. Texaco closed up, over in Lawrenceville. Mobile closed down in East St. Louis. And the three up here, Clark and Amoco. And like I say, Boilermakers Local 363 welcomes them, and I hope they stay here a long time, because we need the employment. Thank you.

MS. MORENO: Thank you very much.

MR. PASSIGLIA: I would like to say one other thing. I did buy PhillipsConoco gas to get here, or I wouldn't be able to make it.

(Laughter.)

MS. MORENO: Mr. Mike Toner.

MR. TONER: Mike Toner, T-o-n-e-r.

Hi. Mike Toner. I represent the plumbers and pipefitters in the area. I thank you for the opportunity to speak tonight. I will be brief. I know some of the comments have been lengthy.

Fred, you helped me out a lot going through these issues here. I don't think I could have explained it quite as well as you did. Thank you.

My family, I'm a third generation in this area. My grandparents moved to the area in 1930, so my grandpa could work at that refinery as a charter member of the pipefitters local. My parents still live in the area. I live in the area. My boys, who are now in their early 20s, live in the area and will continue to live here. We think it's important that entities such as ConocoPhillips and others in the area that will be coming this way, because of the base that we have, it's important that they move this way and that we support them in any way we can.

I -- I don't know what to say about the permitting process. I am -- I am not an engineer. I'm not an attorney. I know there is checks and balances involved there. I know that both sides are wanting to do what's best for the environment and the people who live in this area. We appreciate everything that is done on our behalf. I

appreciate the opportunity to talk tonight. Thank you.

MS. MORENO: I would like to call Mr. Jim Herndon.

MR. HERNDON: Jim Herndon, H-e-r-n-d-o-n.

My name is Jim Herndon. I'm superintendent of schools of the Roxana School District. Some of you may wonder, why in the world are you here. The reason I'm here is not only because ConocoPhillips obviously is in the boundaries of our school district, but also a significant portion of the Premcor facility also is within the boundaries of our school district. So this project is extremely important to our school district, as with Mr. Busch. I have lived in this area almost my entire life. I understand the area. I understand the importance, the economic importance of the refineries and what they mean to our people.

I take very serious the responsibility that I have each and every day for 1,900 students under my care, in the school district in which I serve, again, as superintendent. I have three school buildings within the confines of our school district, and all of them are within close proximity of the refinery. In fact, our football field of our junior/senior high school butts right up against the ConocoPhillips property. And I can say to you, I will -- I will mirror what Mayor Hubbard said, and that is, it is extremely important to us, to me, each day, that I have contact with ConocoPhillips when the time is necessary, for the safety of our students. And we have enjoyed a tremendous relationship with ConocoPhillips for a long time. And as Mayor Hubbard said, they are very, very good about keeping in touch with us, letting us know what's going on, so that we

can deal with issues that we need to deal with because of our proximity. So we certainly in our school district support what is taking place here.

I have to agree with Mr. Williams. We need to educate ourselves. You never stop being a learner. It's extremely important. And this issue is extremely important.

And we need to continue to be educated. I appreciate the questions that were asked here, because that's accountability. And that's how we make sure that we do things the right way. And I'm used to that, because in public education, we are accountable every day. And I appreciate that. So I appreciate this process. And, again, we appreciate the efforts of ConocoPhillips. And we have a great deal of faith in the current management team and the fact that they will make this a safe operation. Thank you.

MS. MORENO: Thank you very much.

Mr. Wayne Blanchard.

MR. BLANCHARD: Wayne, W-a-y-n-e, Blanchard, B-l-a-n-c-h-a-r-d.

Good evening. My name is Wayne Blanchard. I'm the vice president of maintenance with The Washington Group International. Washington Group International is the resident maintenance contractor at the Conoco facility. We have been that since 1992. I have been responsible for that project since that time.

We routinely have about 200 folks every day in that facility. We are a building trades contractor. Those folks come from the local building trades. Our staff of about 20, on that average of 200 folks, also live and work in this area. When we do turnarounds, those numbers increase,

and we have had as many as 1,500 folks at that facility and about 50 staff people. If Hartford restarts, we will be looking on a contracted basis of about 100 jobs in maintenance, on a routine basis, and up to three to five hundred jobs during turnarounds.

The first priority in executing work and serving an owner like Conoco is that it be done safely. And around the country, as we do our work, I consider Conoco to be in the best of the best in terms of safety culture, because we can't be safe ourselves without working together with them. And together, with them, we have accomplished some significant things. We recently went by 2,000,000 man-hours without a lost time injury. In the past year, we have had no environmental incidents related to our work. We have had three recordables on almost 1,000,000 hours in that last year.

And we as a company and our folks are comfortable that they are going to provide a safe work environment and that we are not going to have to worry about having our folks exposed to things they shouldn't be exposed to. So we are very comfortable going forward and look forward to serving Conoco at both Wood River and Hartford. Thank you.

MS. MORENO: Thank you very much.

Mr. Dan Magruder.

MR. MAGRUDER: Dan Magruder, M-a-g-r-u-d-e-r.

Thank you. I appreciate the opportunity to be here tonight too. My name is Dan Magruder. I'm the executive director of COCA. We have about 130 contractors, engineering and suppliers that belong to COCA. Many of them have environmental expertise and perform services for



ConocoPhillips. We also work with the manufacturers, the refiners and the other utilities and industries.

When Premcor closed, I think most of us worried whether it would ever be reopened again, in part or in whole.

And fortunately for the area, we were happy to hear that ConocoPhillips had purchased part of the assets and was going to put it back as a performing asset again. They are going to provide good-paying jobs, 70 in-plant jobs as well as a bunch of building trades jobs that maintain the facilities. Those are jobs with salary and benefits that exceed \$30 an hour, exactly the kind of jobs our area needs.

The tax revenue that is going to be generated at the federal, state and local level, a number of people have commented on tonight, is going to mean a lot to the area. And it's fashionable today for people to talk about win-win propositions. Frankly, this one has so many wins associated with it that that seems kind of inadequate. We surely have a reversal of fortunes here. A lot of people have already spoken about how many manufacturing jobs we have lost out of the area. To have some coming back is just a real treat for all of us.

The reason most of us are excited about ConocoPhillips running the facility is because they have the desire, the integrity; they have the know-how. And just as importantly, they have a lot of corporate resources behind them, to make that happen. We have already seen what they have done with the -- their plant. And frankly, that's very impressive and very extensive what they have done, to show that they are committed to the area.

Over the past 30 years, I have had the opportunity

to work with the senior management teams at the Wood River Refinery. And I have worked with a lot of good people. But I can tell you none are more committed than this group to do things right and to run a safe -- environmentally safe plant.

I would just respectfully ask that the permits be granted, and that these folks have the opportunity to put in place an opportunity for all of us. And I think if you do that, you are going to find that the confidence you placed in them is going to be well placed and validated over time. Thank you.

MS. MORENO: Thank you very much. I notice that it's like 20 after 9. I want to make sure with the school officials who are here that there isn't any kind of curfew or anything when we need to get out of the building. Are we okay?

UNIDENTIFIED SPEAKER: Would you like a curfew? I can get you one.

(Laughter.)

MS. MORENO: Mr. -- and I'm going to massacre this one -- Mr. Terry Buhs, B-u-h-s.

MR. BUHS: Close enough. Thank you. Hi. I am Terry Buhs, B-u-h-s. Thank you.

Hi. My name is Terry Buhs. I am president of Whiteman Electric Company. And I'd like to testify in favor of the operating permit being requested to restart a portion of the old Premcor plant.

I grew up on a farm about 15 miles north of the refinery. I went to college at Southern Illinois University in Carbondale, earning a Bachelor of Science in Electrical

Engineering. My family and I have lived in the area for the past 26 years. I went to work for Whiteman Electric in 1978, as an electrical project manager. I was assigned the Shell Refinery project as my major customer. I was also assigned projects in maintenance contracts with our Amoco Refinery and Clark Oil accounts. Because of the importance of the Shell account, I was in the refinery almost every day, for over 22 years. I was also in the Amoco and Clark refineries at least once a week until they closed. I am still in the ConocoPhillips Refinery at least weekly.

While all this background info? Because I want you to understand that I have knowledge about what I'm talking about. I have been in the trenches with a lot of people out there in that hallway. I strongly believe we need to ensure that when a quality company wants to expand in our area, that company gets the backing it needs to do so. ConocoPhillips is a quality company. They have improved on Shell's philosophies with respect to safety, quality and respect for their neighbors.

Part of my job was to assign employees to work locations. Whiteman employees 100 percent of the time wanted to work in the Shell Oil Refinery over Amoco and what was formerly Clark. Why? Because it was safer. It was cleaner. And it was state-of-the-art. The good news is that ConocoPhillips has improved on Shell's management techniques and commitments to running a refinery. The refinery now is in better shape and safer than even when Shell was the owner.

ConocoPhillips now wants to expand their commitments to our area. What will this expansion do? Only bring more jobs. Only bring a further commitment to safety

and a clean refinery environment. But most of all, it would give our whole area a much needed boost, showing other industry that maybe Madison County is not as bad as everyone claims.

I said this in the paper many years ago, and I'm repeating it today. I am in no way suggesting that we trade the start-up of an unsafe or environmentally unsound refinery for jobs. I know and you know it's not worth it. But I am saying that when a quality company, who I can personally witness to, wants to expand and help our area by investing, we had better jump at the chance, especially when the outcome is lower emissions than when the two plants were running separately. I strongly urge approval of the ConocoPhillips request for operating permits. Thank you.

MS. MORENO: Thank you very much.

Mr. Jim Bensman.

MR. BENSMAN: B-e-n-s-m-a-n.

Thank you. My name is Jim Bensman. I live in Wood River, about a mile from the plant. I'm the conservation chair of the Piasa Palisades Group at the Sierra Club.

My dad died of air-related illness. And I have lots of friends with air-related health problems. We have general concerns about the pollution in this area, from some of the past operations. You know, the meeting place had to be changed. I think it's really important that we be very careful that this is being done in an environmentally sound manner. You know, jobs are very important, but so is public health.

I do want to comment on -- I thought the notice was really confusing. And I think it has a lot to do with

all the different refineries and all the different ownership changes. It was really kind of hard to figure this stuff out. But I will say the explanation tonight helped, quite a bit. I think it would have been nice to have a map, with showing which refineries are what and the ownership history of it. That would have helped explain things a lot.

A couple of things. One I wanted to ask about, am I understanding this correctly that the ConocoPhillips have been in a significant noncompliance with the air quality standards for the last eight months? Am I understanding this correctly? Or eight quarters? Am I understanding that correctly?

(Mr. Bensman produces document.)

MR. ROMAINE: This is from USEPA's ECHO database?

MR. BENSMAN: Yes.

MR. ROMAINE: I'm not familiar with this. I think it's a detailed piece of -- I should say it's very generalized information. I'm not sure what information USEPA has put on their website.

MR. BENSMAN: Okay. Another general question. I know you said something -- a decrease, what is it, 1,000 tons of sulfur?

MS. NICHOLSON: 3,000.

MR. BENSMAN: 3,000? Can you tell me what -- what it's being decreased from and what it's being decreased to, not just the difference?

MS. NICHOLSON: I don't recall those exact numbers off the top of my head.

MR. BENSMAN: Ballpark.

MS. NICHOLSON: But what it was before was under

Premcor's operation. And I'm not really privy to that information.

MR. BENSMAN: Is that a big decrease?

MS. NICHOLSON: 3,000 tons is a big decrease.

MR. BENSMAN: Okay. That's what I was getting at. Okay.

On the NPDES permit, a few comments on that. The PCBs, siltation, suspended solids, metals, nutrients, phosphorus and nitrates are of particular concern, since the Mississippi has been found to be impaired for these substances. We think the reissued permit should not increase the loading of these parameters to the river. In addition, current loadings of nitrates and phosphorus should be determined, and the discharge should be limited at the current loading levels. And then finally, the need to increase loadings of BOD, COD, oil and gas -- I mean oil and grease, and sulfide should be further investigated.

I did -- someone -- I don't know who it was -- I have no -- someone sent us this note. I don't know who it was. But I just thought I would read a couple of things they said. They said, "I have worked at the Hartford Refinery in Wood River. In the days of Clark and Premcor, people had to open the coke drums by hand, with the possibility of very hot water and hydrocarbons spraying on them, out on them. It is very dangerous, and people have been seriously hurt and killed doing this, including in this company. I believe a safety study said to put equipment on the coke drums to allow people to stay far away and automatically open the drums up, which is the only safe way to do it. The refinery management does not plan to do this. People will still be opening the

coke drums themselves. Ask them also if they inspected all of the tanks that will be used. You know the serious problems with contamination below Hartford. If the tanks are not all inspected, it can only get worse."

I guess that I don't know who sent us that, but I just thought I would read that into the record. Thank you.

MS. MORENO: Thank you.

Let's see. Monica Bristow.

MS. BRISTOW: I'm president of The Growth Association of Southwestern Illinois. It's a Chamber of Commerce and economic development for -- economic development agency for 11 communities in southwestern Illinois.

The Growth Association supports ConocoPhillips' application for these two IEPA permits. Upon receiving these permits, ConocoPhillips can be linked to the former defunct Premcor Refinery units, which will bring about 70 new jobs, restore property tax value to the facility, create ongoing contractor and construction maintenance jobs, and help ConocoPhillips become a more viable long-term business by enhancing its ability to produce crude oil.

The refineries in this area have always been vital to the economic stability of this region. With these permits, ConocoPhillips will be able to increase their value to the community by adding more jobs, contributing to the economy by way of property taxes, and reducing overall emissions. They will become a more versatile company with more products and cleaner burning fuels.

Thank you for this hearing, and I encourage your approval of these permits for this environmentally and

safety-conscious corporation. Thank you.

MS. MORENO: Thank you very much.

Pam -- I apologize in advance -- Heepke.

MS. HEEPKE: Heepke. P-a-m, H-e-e-p-k-e.

Hi. My name is Pam Heepke, and I'm speaking as an adjoining land owner. For many years, my family has had property that adjoins the Roxana refinery. We feel that the refinery has been a good neighbor to us. We also see the contribution that the refinery has made to the community's economic position throughout the years.

The refinery has provided many jobs directly and indirectly. When the refinery at Hartford was closed, the community felt the economic loss. It is in the best interest of the community to have ConocoPhillips reopen this refinery and make it an asset to the community again. My family is in full support of ConocoPhillips proposal.

I am also the chairman of The Growth Association of Southwestern Illinois. I would like to offer the support of The Growth Association to this project by ConocoPhillips, as a positive economic force in the area.

MS. MORENO: Thank you very much.

On this next card, I'm just going to have to say Jack from IBEW, because I can't read his last name.

MR. TUETH: You can't pronounce it either. Tueth, T-u-e-t-h, Jack.

MS. MORENO: Thank you.

MR. TUETH: Since 1990, I've been the business manager and business representative for IBEW Local 649. Prior to that, for 16 years I worked construction as an electrician, most of it inside the refineries in the area. I



rise in support of the issuance of the permits to ConocoPhillips for three reasons.

The first reason, of course, is primary with my responsibility. It's jobs. As a life-long resident of the river-bend area, I have seen the erosion of the industrial base in the area. There is a whole litany of companies: Owens, Illinois Glass, Alton Boxboard, Amoco, Premcor and on and on. Now we have an opportunity here with ConocoPhillips to reverse that trend.

And the second reason is the taxes in this area. As a resident of this community, the -- we can take a rusting eyesore in our community and turn it into a modern entity that generates revenue for schools, roads and other public projects.

And the final reason I guess is most important to this committee here is the environment and safety area. In the last 10 years, I've seen this -- the refinery to the east change hands five times. Each time, the management of the refinery would come in and preach, to some degree of emphasis, safety and environmental concerns. I can say in the last two years, that Herman Seedorf and his staff mean what they say. They are committed to this -- to the safety on the job site, as well as the -- as the environmental issues that are -- that are of concern tonight.

If there is any question about ConocoPhillips' commitment to being a good neighbor in the area, I point to some recent events. During the Christmas season, you could look at the lights along 111, that were unprecedented. As a matter of fact, there was a -- there was a place in Alton that was trying to charge \$10 a car to go through and look at

their lights. I would say the ConocoPhillips lights were a little bit better than that. Herman, you could have made a little money on that.

And secondly, just in the paper today, ConocoPhillips committed 10,000 -- \$100,000, excuse me -- to the Lewis and Clark Tower, to the construction of that, which would be -- which will be a great edifice to our area. Thank you.

MS. MORENO: Thank you very much.

Mr. Kevin Stuby.

MR. STUBY: K-e-v-i-n, S-t-u-b-y.

Okay. I'm a resident here in town. And I'm also an employee of the refinery, at the Roxana plant, for 14 years. I have got many reasons why I support the permits to be given. But we don't have much time tonight, so I will just stick to a couple things.

I understand the concerns the environmentalists have, and I enjoy the environment myself. I, in the last three years, have been in 11 states camping and have been at the entire length of the Missouri River. I enjoy the environment very much. But we do have to have balance in what we do, with manufacturing facilities. We do have to hold them to regulations that require that we are good neighbors to each other. But we also don't want to run these companies out of our country, to a third-world country, where they do not have environmental regulations and will still produce the gasoline and ship it to our country. So this is one concern that I can see we can go, if we continue to push these kinds of directions. So that's my main concern.

And also, I understand the concern the one lady

had about St. Louis and the air quality going towards St. Louis. But I would challenge that a little bit, because I -- in my job, I'm an operator at the plant. And one of the things that I do with my job, as I'm operating some of the units there, is I watch the weather quite often, because it affects our operations. And primarily, the weather comes out of the southwest in our area. But anyway, we do want to keep the air clean, as you said. So thank you.

MS. MORENO: Thank you very much.

Mr. Glenn Breuklander.

MR. BREUKLANDER: You are good. G-l-e-n-n, B-r-e-u-k-l-a-n-d-e-r.

My name is Glenn Breuklander. And the last summer I retired from the Navy after 20 years. I have 20 years of nuclear power experience in maintaining and operating. I know what strict adherence to rules and regulations and the consequences are. You don't -- you flat out don't. A nuclear accident in the Navy risks our national defense. We can't risk that. So it's absolutely ingrained in me, the do's and don'ts.

Coming out of that environment and joining ConocoPhillips, I wasn't really sure what the corporate world was like. I did not have any experience with that. I was incredibly happy that the first 30 days were spent, "Here are the environmental regulations. Here are the OSHA regulations. Thou shalt not violate them. Don't do it. This is what we are all about. This is the foundation of our company. You can worry about making money for us later. But right now, get this in your head, because the foundation of everything you are going to do from now on is built upon

these things." Thank you.

MS. MORENO: Thank you very much.

Mr. Floyd Fessler, Jr.

MR. FESSLER: I am one of the hall people. First time I have seen anybody today. Fessler, F-e-s-s-l-e-r.

I'm business agent with Local 399, Operating Engineers. We have about 350 people employed at ConocoPhillips. And I appreciate everyone's tonight's concern on either side.

You know, we have to all sit there and try to understand sometimes where people are coming from. From my aspect, like Jack Tueth, and the other laborer people here, we are concerned about jobs in the area. Money, to some people, as said before, money changes hands seven times. And you figure if an average employee, say, makes 50,000 a year over there, and we are going to employ another 70 people, with I don't know how many hundreds more support people down the road, it's going to make millions for this community. And I think that's the utmost importance today, because we can't do each other's clothes. You know, people talk about service industries and things like that. But we have to get back to basics. Manufacturing is a really -- it's a big, critical need for this country. And we have lost enough of that already. And I would just like to come out in support, and saying our local and the federation of labor, all the labor leaders support this, these permits for ConocoPhillips. Thank you.

MS. MORENO: Thank you very much.

Ms. Andria?

MS. ANDRIA: Yes.

MS. MORENO: Do you want to -- would you like to finish?

MS. ANDRIA: If everyone else --

MS. MORENO: Is there anybody else who would like to speak who hasn't had a chance or ask questions? Yes.

MR. FORBES: Yes. I'm John Forbes. I am a labor liaison for Blair Hull. And I just want to say I've been -- I was here to take notes. And I'm very impressed at what I have seen. The letter I'm going to be sending to Chicago is going to be very affirmative for ConocoPhillips. I was very impressed with the way you guys handled all the questions, and I was very happy with all the environmental questions. I think it was a very, very good, balanced meeting. Thank you.

MS. MORENO: Thank you.

Anybody else from the audience, in front of me?

MR. KINSLEY: Anybody from the hall people?

MS. MORENO: Anybody from the hall people?

Ms. Andria, the floor is yours again.

MS. ANDRIA: It went much quicker than I thought.

First I wanted to -- when Mr. Bensman said about the company, ConocoPhillips, not Premcor, but ConocoPhillips.

This is the ConocoPhillips Wood River Refinery, and this was from the U.S. Environmental Protection, Enforcement and Compliance History. And they do have the -- the company, for this plant, Wood River Refinery, as being out of compliance for the air, Clean Air Act, eight out of eight quarters, four out of eight for the water. I hope that that's in the past, and that they will -- they will work to come into compliance. I don't know if they currently are in compliance. But that -- this was the last date that was on

the EPA website, the most recent site. So are you in compliance now?

MS. NICHOLSON: We take very seriously our commitment to comply with environmental regulations. That information that you are reading I'm not familiar with at all. In fact, our environmental compliance at the refinery is -- is the best it's ever been. There is no way we are operating eight out of eight quarters out of compliance.

MS. ANDRIA: I think that you have the opportunity to correct it if it's incorrect. I would contact USEPA and let them know that.

MS. NICHOLSON: We will do that, because this is definitely inaccurate information.

MS. MORENO: Excuse me. Ms. Andria, what I would like to do, if possible, we would put that in the record. And that way, we can check --

MS. ANDRIA: Okay.

MS. MORENO: -- and see and respond in the responsiveness summary. Public Comment 1.

(The reporter marked Public Comment 1 for purposes of identification.)

MS. MORENO: Okay. That will be easier. Because the people who are sitting here are not our compliance guys. But we will certainly look into it for you.

MS. ANDRIA: I would very much appreciate it. I am going to be asking a couple of questions that I'm -- I don't thoroughly understand and might need to ask Ms. Herndon, who has a much better understanding of some of this than I do. I don't quite understand that the company has spent millions of dollars to get this equipment, and whether

they are not going to have additional output of product. I would think that the shareholders would not -- would not like that. So I guess what I'm asking is, does the Hartford Integration Project de-bottleneck any of the -- Conoco's processes?

MS. HERNDON: I think the question -- it's kind of referring to, with doing the Hartford Integration Project, it will increase production, because you are adding -- it's kind of increasing efficiency. Will that then increase -- it will increase faster production. And won't that increase more emissions? I mean, I guess the confusion is that in the air permit, it says that there is no increase in production, that the emissions increases are based on the handling of heavier crude material.

MR. SCHNEPP: The handling of heavier crude material will account for greater emissions, and those emissions are permitted in this permit.

MS. HERNDON: But are you saying then that there will be no increase in production? Like the water permit says that there will be an increase in production. But in the air permit, it says that there is no increase in production.

MR. SCHNEPP: This permit does not authorize an increase in production.

MS. HERNDON: But the water permit does?

MR. KINSLEY: What the water -- I guess what the water permit talked about is the capacity, so much thru-put capacity. I don't know how that relates to the air permit itself. I am just not versed on that. But we --

MS. HERNDON: I --

MR. KINSLEY: The water permit talks about the load limits that are associated with so much capacity. And it doesn't really talk about how much they are going to do every day. It talks about what their overall capacity is.

MS. HERNDON: But it's the capacity for production?

MR. KINSLEY: For thru-put in the various manufacturing sections.

MS. ANDRIA: So doesn't that give the potential to emit more, because you are having more production?

MR. KINSLEY: I would have to defer to my air counterparts on that one.

MS. HERNDON: I guess the confusion comes in that the water permit kind of allows for an increase in production. But the air permit states, very clearly, that there is no increase in production. So I guess I'm kind of confused as to how that works out.

MR. KINSLEY: Lisa?

MS. MORENO: Here.

MR. ROMAINE: I guess I think we are dealing with the different roles of the two permits. The air permit does address process units. It addresses emissions that are related to the processing of crude oil, so that the issue of whether there is an expansion capacity or whether there is simply additional emissions from processing a different quality of material is something that is addressed as part of the air construction permit, for the integration project, and that, as set forth by ConocoPhillips, that the intent at this time is to maintain the operating capacities of the plant at current levels and utilize this additional equipment to



increase the flexibility it has, in processing different types of crude oils.

MS. ANDRIA: But the water permit states that there will be an increase in the thru-put of crude oil from 310 barrels per day -- 310,000, excuse me -- barrels per day to 323,000 barrels per day. Is that taken into account in the air permit?

MR. ROMAINE: I don't believe it is, no.

MS. ANDRIA: Okay. Have you calculated in the air permit the potential to emit of the equipment that is in the Hartford Integration Project?

MR. ROMAINE: Yes.

MS. ANDRIA: That includes everything that is listed in the water permit?

MR. ROMAINE: No.

MS. ANDRIA: Because?

MR. ROMAINE: Because the water permit doesn't address the potential to emit. The water permit address the potential for wastewater discharges.

MS. ANDRIA: Will any of the Hartford Integration Project equipment be used for the new project, of the four new projects that are listed in the water permit?

MR. ROMAINE: The answer is yes, but I don't think that's -- it's an easily understood answer. As the operation at Hartford affects crude oil that is received at the facility and allows it to process heavier material, that material will subsequently be distributed to different feed spots, and some of that material could, in fact, end up going into the gasoline operation, the low sulfur gasoline, and some could go into the low-sulfur diesel operation. So those

would relate to those operations, but it doesn't necessarily facilitate it in the sense I think you are suggesting.

MS. ANDRIA: Well, it's my understanding -- and I may be wrong, because I'm not an expert on this by any means.

But if so, then it should not be a phased permit; it should be one permit.

MR. ROMAINE: That simply isn't the case. These are separate projects that have occurred at the refinery. In fact, we don't even have an application for the final project, from our perspective. That is, on the emissions side, because we would issue a distinct construction permit for each of these projects. That isn't necessarily the way the water permit necessarily handles wastewater discharge.

MS. MORENO: Here.

MR. KINSLEY: I would just like to follow up a little bit, if I may.

MS. MORENO: Yes.

MR. KINSLEY: And I think the representative of Conoco kind of touched on this earlier. But you have to keep in mind that this is the integration of basically two separate units, that, I mean, the Hartford -- the Premcor Refinery had units in capacity that was added to the Conoco permit. The Premcor permit is separate from this one. So even though it appears that there is an expansion in the permit itself, that is brought about by the integration project itself.

And when we looked at -- and I think you alluded to it earlier. When you look at the two separate permits, and you add up the total load from the two existing permits, Shell and Premcor, and compare those with the -- with the

-- what you say is an expanded ConocoPhillips, it results in a decrease for the Conoco over the two separate permits in total loading of -- I believe it was six of the nine parameters. And also, that wasn't across the board on those other three. It -- there was like an increase maybe in a maximum on one and an increase in the average discharge on the another.

But in general, the overall pollutant loading permitted under the Conoco permit is lower than the combined permits that Premcor and Shell had previously. So I think that may help to explain why it seems like there is an expansion on the one permit, but there was actually the other permit, and all that process went away in the other permit. The other Premcor permit now that's on draft is for storm water only. There is no process loading.

MS. ANDRIA: Right. I understand that part. But I mean, there is -- there is talk of an expansion. I mean, everybody is talking expansion. There is talking about an increase. There is talking all of this. And yet it -- it's not -- it's not an increase in emissions. And it -- I think there is somehow, it's like a giant shell game. We keep trying to figure out, so to speak, what's going on. It's like we can't quite figure out. And I appreciate Mr. Bensman's comments about all of the different names, because it's been very difficult to understand -- understand all of this. I would like to know what the justification the -- the company gave for asking for the half of the application to be trade secrets.

MR. ROMAINE: I'm not directly familiar with the specific material on the application. However, the general

provisions governing the trade secrecy provide that when a company considers material of value to them, and they protect it from a competitor, that they keep it in secured facilities; they don't disclose it to the general public; that they are entitled to have that protection maintained, unless the data constitutes emission data.

MS. ANDRIA: So did they write a letter and say, "We request this because we want to keep what we are doing secret from a competitor"? Is that what's their justification?

MR. ROMAIN: That is the requirement when someone files for trade secret status in an application. There has to be a claim letter that explains --

MS. ANDRIA: No. I'm understanding that. I'm asking, was that their claim, that it was from competition? Because I don't see other competitors, since all the other refineries have closed down. I don't understand. I want to know specifically what their justification was for trade secret.

MR. ROMAIN: I --

MS. ANDRIA: And I want to know if the legal department looked at this and justified that they -- that it was justified. Did they screen it? Was it screened by legal?

MS. MORENO: We have -- I can't speak to this specifically. But what I can say is we have a set of regulations that cover trade secrets, because one of the concerns that we recognize is that there are things that companies may want to, you know, may want to hide, for all sorts of reasons. So we -- we have a protocol which one of

the attorneys will look at the stuff that is asked to be kept secret. Then we -- a determination is made. And that material, as Chris said, is put in a separate kind of locked envelope. And there is a list of --

MS. ANDRIA: Reasons.

MS. MORENO: -- items and a determination. And I think what we can do in the -- is, in looking in the response, you know, in connection with the responsiveness summary, is, I mean, we have -- that information is someplace, because it's carefully tracked. So rather than us speculating on what specifically they put in, what we can do is, within the boundaries of trade secrets, will explain in the -- in the responsiveness summary.

And one thing that I would like to say is you -- this may sound -- this may sound strange. But we have had, over the years, a lot of people come in with Freedom of Information requests on their competitors, specifically, to see what they are doing. So this is -- this is a serious concern. And it happens in air; it happens in water. The competition is always out there, looking to see what the process is, so it -- it's a perfectly legitimate -- and then there are also legal issues too. So it's a perfectly -- trade secrets is a perfectly legitimate and well-recognized --

MS. ANDRIA: No.

MS. MORENO: -- exception to, you know, full disclosure.

MS. ANDRIA: I understand that. I'm just trying to find out if it was done in this case, and if it was, if we could have a letter that shows that it was justified and for

what reasons. Because we are not sure if it's always -- is it always done, every single time that it's screened by legal?

MR. ROMAIN: In our case, it's actually screened by people within the Bureau of Air.

MS. MORENO: Oh, it is. Okay.

MR. ROMAIN: Yes. There should be a claim letter. And that claim letter is not a trade secret and can be obtained under the Freedom of Information Act.

MS. ANDRIA: There is also some things with trade secret that they have to take steps to protect -- the company itself has to take steps to protect the secrecy of this project. They have had press releases. They have had other kinds of things that they have talked about. Do the workers know what's going on?

MR. ROMAIN: Again, we are talking about certain types of details about the project. The fact that the project is occurring isn't a trade secret. The fact it has emissions isn't a trade secret. What those emissions are aren't a trade secret. However, the types of information that is usually classified as trade secret, in the air division, are information about how a process works, how a piping is arranged, information that could be valuable to a competitor of ConocoPhillips, for changes that could be made in refineries, at this point, globally.

So as Lisa was saying, competitors look in applications to glean information and suggestions about how to make improvement in air refining operations, where companies have invested time and money to develop those processes, and they do not want that information to be

inadvertently provided. That's why the -- the criteria used for protection of trade secrets is simply what steps has the company taken to protect the material itself. If it's information that is provided in the newspaper, if it's provided with press releases, that material is obviously not a trade secret. If it's information that is provided to any employee that enters the premises, it's not a trade secret. If it's information only provided to employees that are working on particular projects -- I mentioned here some of the work is done by contractors. If the contractors in the particular area need to know the information, presumably they are subject to appropriate confidentiality provisions to assure that they respect it. So if contractors are subject to provisions to protect it, that's the same as if the refinery was protecting it.

MS. ANDRIA: It seems to me that since the public -- that this is a public permit, we have to be able to comment on it, that it should be really screened by attorneys in the air division, who are familiar with the claim of trade secret, rather than just the permit reviewer. Not that I'm denigrating the permit reviewer. But it seems like a legal decision. And it's also an important public decision affecting the public's right to the information and to be able to comment on a project, when even the description of the project is a trade secret, that somehow seems wrong.

MR. ROMAINE: I guess two comments there. When I say it's done within the Bureau of Air, there are people who specifically perform that function on a daily basis. That is their job. And they are appropriately trained and, I believe, under supervision from appropriate attorneys. But

it's more efficient, in terms of our manpower, not to spend attorney's time reviewing this when we can have paraprofessionals working on it.

In terms of comments on making data available, it is quite difficult sometimes for companies to balance that information for public information, good explanation, and protecting information. And one of the problems they run into is when you have particular drawings or documents, it is certainly simpler for them to claim a particular flow diagram as trade secret, rather than prepare a separate document specifically for the public.

So hopefully, when we review the application more closely, we will find that the key information that is important to the public has been provided. If it hasn't been provided, as I said, emissions data, that is, information on what the emission units are, what the rules are that apply, what the limits are, things that are relevant to compliance has to be provided. And we will, as you requested, check to make sure that information is available for public inspection.

MS. ANDRIA: Did, Jason, did you do the screening for this trade secret?

MR. ROMAINE: No. As I said, it's not done by our --

MS. ANDRIA: Okay. Could you tell me if ConocoPhillips intends to continuously operate the existing coker gas recovery unit system during all periods during which coker drums are switched?

MR. ROMAINE: This is relating to the air consent decree?



MS. ANDRIA: Yes.

MR. ROMAINE: If it's a requirement of the air consent decree, it's something that ConocoPhillips would have to do when they resume operation.

MS. ANDRIA: Is it in the permit?

MR. ROMAINE: It is not in the permit.

MS. ANDRIA: Could we request that it be put in the permit?

MR. ROMAINE: You can certainly request that, yes. I would have to check. I believe those requirements would be in the existing operating permits.

MS. NICHOLSON: That's right. Yes.

MR. ROMAINE: Those requirements are apparently already in the existing operating requirements for Premcor facility.

MS. ANDRIA: So they should be transferred then to the new permit, the new construction permit?

MR. ROMAINE: Well, in terms of, from our perspective, simplified permitting, we have not reissued the Premcor permits in this construction permit. What this permit allows is ConocoPhillips to operate the units that they are resuming operation as part of the integrated -- integration project. But it provides the details of how they are operated, in terms of regulations and things such as how the coker drum is operated, governed by the existing operating permits. And these operating permits have been transferred to ConocoPhillips.

MS. ANDRIA: We had, through employer requests, we had looked through some of the Draft Permits and some different material. And we have an annotated -- annotated

copy of the original Draft Permit, which was sent to Conoco for review. And they seem to have rewritten a few conditions. They didn't seem to like the term start-up, in 2a. It talks about the FCC unit, which are not part of this permit. And this permit does not address the FCC unit. And we wonder why it's even mentioned. And if -- is there some kind of groundwork that is being laid for a start-up? Or -- anyway, we would like 2a to be taken out.

MR. SCHNEPP: I guess my comment would be I'm not sure you really want the comment taken out. It requires that a construction permit will be required to be submitted to, for example, commence construction of the FCC at the Premcor facility.

MS. ANDRIA: Well, I'll bow to your caution, and we will look at it before we make that request permanent.

I also -- I have a question that I left over on the desk. I will hold it. What I wondered --

MS. MORENO: No. Go ahead.

MS. ANDRIA: What I wondered is if we are allowed to ask questions after this, tonight, if we can call the agency and ask questions about any of the material.

MS. MORENO: Sure. Certainly. That's not a problem. No.

MS. ANDRIA: Okay. Well, we want to thank you very much. And especially to all of you who sat here and had to listen to our questions that you think are impacting on your jobs. We are really not trying to do anything to your jobs. We really care about all of you and about the air in the area. And unions, my dad was a union guy. So we hope that we can work together. And I do buy Phillips 66 gasoline

too.

MS. MORENO: Anything more from the floor? If not, I would like to remind you that we will be accepting written comments, as long as they are postmarked by midnight, April 8th. And you can address those to me, Lisa Moreno, M-o-r-e-n-o.

And on behalf of the agency and Director Cipriano, I would like to thank you very much for coming to this hearing. I hope that we gave you information that was useful. We appreciate very much all of the comments that we received tonight. And to the extent that there are -- what I will call the technical questions, the types of things that Ms. Andria and others have asked, those, as I said, will be addressed specifically in the -- in the responsiveness summary.

So, again, I'd like to thank you very much. And I'd like to say that we had some barbecue at that little place, and it's one of the best I've ever had. So thank you very much.

STATE OF ILLINOIS )

) SS

COUNTY OF ST. CLAIR )

. I, Lynn E. Bartimus, a Notary Public within and for the County of St. Clair, State of Illinois, do hereby certify that a hearing was held on March 9th, 2004, at Hartford Elementary School, 110 West 2nd Street, Hartford, Illinois, before Lisa E. Moreno, Hearing Officer; that the proceedings were taken down in shorthand by me and afterwards transcribed by computer-aided transcription, and the transcript is herewith returned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on this 19th day of March, 2004.

---

Lynn E. Bartimus, CSR, RPR

Notary Public

License No. 084-004150